ORIGINAL TRANSCRIPT

DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

IN THE MATTER OF THE DEER CREEK MINE, PERMIT RENEWAL APPLICATION, CARBON COUNTY, UTAH.

Cause No. C/015/0018

INFORMAL CONFERENCE

TAKEN AT:

Department of Natural Resources

1594 West North Temple

Salt Lake City, Utah

DATE:

January 24, 2006

REPORTED BY:

Scott M. Knight, RPR



Salt Lake City

Washington, DC

New York

Los Angeles

Corporate Offices: 50 West Broadway, Suite 900, Salt Lake City, Utah 84101

801-983-2180

Toll Free: 877-441-2180

Fax: 801-983-2181

23 201 South Main Street, Suite 1100

24 Salt Lake City, Utah

25



Thacker + Co LLC

meeting moving, I'm going lay out a few ground rules that I desire and then follow up with what will proceed subsequent to this informal conference.

So I'm going to indicate that the following procedure should apply to this informal conference. First of all, I would ask that those parties who are here, in order to keep things moving, I'd like to limit their presentations to no more than 30 minutes for any testimony, evidence, or comment that they want to provide.

I'm also going to indicate that there's--this is not an opportunity for back and forth discussion or cross-examination. Please direct all your comments and questions to me as the presiding officer and refrain from discussion with other parties involved, including the Division.

All parties have access to the information in the Division's files to the extent required by law. And those are public records and are available for review in our public information center. So if you have not yet had the opportunity to review what is in our public information center, you certainly will prior to



Thacker + Co LLC

operator's responsibility on the approved plan. Five, that the operator has not provided evidence that the bond will continue to be in effect. Or six, that any additional information required by the Division has not been provided.

And these, as I said, are in accordance with Utah Code Section 40-10-9 and also Utah Administrative Code Rule R645-303-233.

Interested parties have the right to challenge any decision made by the Division to the Board of Oil, Gas & Mining. And should a party choose to challenge the Division's decision, the burden of proof will rest with the opponents of renewal.

So that being said, I'd like the parties who wish to present information or comment today to please identify themselves. I know that the letter of objection received was received from Mr. Joel Ban for the Utah Environmental Congress. And if you could state your name again for the record.

MR. BAN: My name's Joel Ban. And I work and represent the UEC. To my right's Kevin Mueller. He's the director of UEC. Do you want me to--



Thacker + Co LLC

October of '05, the UEC had filed an appeal, administrative appeal to the Forest Service based on a number of violations of NEPA as well as the Manti La Salle Forest Plan. These violations are related to the fact that the EA in this case made a finding of no significant impact. However, we're not sure that all the effects of the proposed mining portal were analyzed.

The EA had made a finding of no significant impact. However, there were a number of effects that weren't analyzed, including the effects of the golden eagle. The Manti La Salle Forest Plan does, in fact, prohibit the nest abandonment of golden eagles, which the EA had disclosed--was a likely impact from the proposed activities.

There are a number of issues that we enclosed in our objection that hopefully the Division and PacifiCorp have reviewed. And I'm not going to go into the details of the appeal.

The objection was filed mainly because the UEC had entered into informal appeal resolution with the Forest Service. I wasn't intimately involved in those discussions.

However, Mr. Mueller had detailed discussions, I



Thacker + Co LLC

objection--however, we do feel that some of the underlying problems with the situation is that the Forest Service in this informal appeal resolution period had agreed to take certain measures to protect the surface environment, which the Forest Service is entitled to do.

And it seems that the--some of the other parties involved had aired their opinion that the Forest Service didn't have the authority to interject these certain provisions into this contract.

monitoring will occur. The monitoring of microinvertebrates. We do know that this project will
inflect short-term major effects on the ecosystem,
specifically the watershed within Deer Creek, as
well as impacts to the golden eagle, which I
alluded to before, the--certain mitigation
measures were proposed that weren't discussed in
the EA. We feel that's a major flaw within the
analysis. And there are certain other provisions
of SMCRA and the mineral leasing act, which we
don't feel were complied with in terms of the
overall NEPA process for this particular project.

And I don't know if Kevin might want to



Thacker + Co LLC

between DOGM, Forest Service, the mine. I don't know who else. But it became clear that the Forest Service feels unempowered to manage a lot of surface facilities. And that's something that is a new concept to me. You know, in reviewing some of the new--the regulations that we don't usually deal with, such as SMCRA and--it doesn't look like the Forest Service has, you know, in the legal realm, lost its authority to manage the surface to the degree that it appears that in reality it has. And that's a concern that emerged after the appeal resolution process with the Forest Service.

That's something that really concerns me, because it's not just an issue with this facility and this mine and the mine plan modification, but for the ability of agencies to work together into the future and the ability of the Forest Service to maintain its legally granted surface control authority, especially to commit to terms in the forest plan that the Forest Service apparently feels unempowered to be able to commit the mine to sticking with. That's a real concern, because it makes the forest plan meaningless. You know, if you have monitoring,



Thacker + Co LLC

which is, you know, arisen in the past and could also be a problem in the future. And we hope that certain—there's a certain understanding among this agency as to what their role is in terms of projects that occur on Forest Service land. So that's kind of another goal, I guess, of UEC at this time.

1

2

3

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MR. MUELLER: And I think it's evident in the--you know, the objection that the attached appeal, that we believe it's clear that there should have been an EIS process. And the mitigation measures that were committed to should have been analyzed under that and addressed and committed to under that EIS process, because there are significant impacts from this project cumulatively. And the mitigation measures that were committed to, some weren't even addressed in the EI--in the EA process. And some of the mitigation measures we believe will actually increase the total impacts on wild life and on the watershed as opposed to reducing the impacts. And--but that's a concern that obviously couldn't be addressed in the resolution process or the objection process here. But we're hoping to be able to make this process avail itself of its



Thacker + Co LLC

1 there a connection between this permit renewal and 2 the Rilda Canyon expansion, in your viewpoint? 3 MR. BAN: Kevin may feel differently, but I thought I was commenting just on the portal 4 construction and the permit renewal. I don't 5 6 think I was commenting on the Rilda Canyon. 7 MR. BAZA: Okay. So your comments are 8 really directed towards the permit renewal of the 9 Deer Creek Mine. 10 I believe so. MR. BAN: 11 MR. BAZA: Okay. So when you referred 12 to the project, that's the project at hand is the 13 permit renewal. 14 MR. BAN: Yes. 15 MR. BAZA: Okay. Well, I guess Mr. 16 Kirkham, we'll turn some time over to you to make 17 some comments. MR. KIRKHAM: Thank you, Mr. Baza. 18 Αs 19 indicated, I think maybe we need to just review 20 for the record--and I'll try not to repeat what 21 you've already reviewed -- but for the record, the 22 current status of the PacifiCorp permit is that 23 there are no pending permit revisions. The mine 24 permit has been fully approved. And there are no



25

Thacker + Co LLC

pending appeals or unresolved issues related to

publish a notice in connection with that renewal process. And that occurred on November 15. As I think you've indicated, the application review deadline was December 29. And a written objection was filed on December 29, which is the reason for this informal conference.

Again, as you have stated, the permittee has a right of renewal. And the Division, under both the statute, which you've cited as 40-10-9(4)(a), provides that the Division shall renew the permit unless it enters very specific findings, which you previously outlined, and I won't review again.

I think the critical thing here is that under both the statute and specifically under the provisions of R645-303-233.200, the burden of proof--and let me just quote that--it says, "In the determination of whether to approve or deny a renewal of a permit, the burden of proof will be on the opponents of renewal."

And as we've listened to the position of UEC--and I think I took notes that would try to address these issues--there was nothing in their presentation that related to any of the criteria the Division looks at with respect to



Thacker + Co LLC

1 the Forest Service.

Concerns were expressed over the Forest Service authority as the surface management agency and the processing of what I assume were revisions. In connection with a permit renewal, since it is an absolute right of renewal, unless the Division enters certain specific findings, there is no Forest Service jurisdiction in connection with this renewal process that is under way right now.

I should also point out that SMCRA does establish the roles of the various respective agencies in connection with both the permitting process and the renewal process. And that's not an issue that is within the jurisdiction of the Division to try and be dealing with.

Based upon everything we've heard--and specifically, since we did not hear anything that relates to any of the criteria that the Division has to review in connection with the renewal, it appears to us that what was raised related solely to what was the prior appeal that the objecting party, UEC, brought, and had subsequently lost.

And so we don't feel there's any reason to try and relitigate those issues in this renewal



Thacker + Co LLC

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

opening comments, there's one of those renewal criteria I'd like your opinion on, which is Item No. 6, which is any additional information required by the Division that has not been provided. Would you comment on that and what--in your opinion, what types of items would be addressed in that particular criteria?

MR. KIRKHAM: Sure. That--just for the record, that requirement is found two places. the statute, it's at 40-9--1'm sorry--40-10-9(4)(a), I believe it's small 5, or Roman numeral V, states, "Any additional, revised, or updated information required by the Division has not been provided." And then the appropriate rule is, again, R645-303-233.160. And that states, "Additional revised or updated information required by the Division under R645-303-232.250 has not been provided by the applicant." And a reference to 250 just is simple--a simple statement, "Additional revised or updated information required by the Division."

Long introduction, short answer. The Division determined the application to be administratively complete on October 24.

Therefore, there was nothing that the Division had



Thacker + Co LLC

1 opportunity now for UEC to respond, to add any 2 additional information you want to include on the 3 record. 4 MR. BAN: Can I ask questions of the 5 Division? 6 MR. BAZA: I can say this. You can ask 7 the questions, but you may not be able to get the 8 answers today. 9 MR. BAN: Okay. 10 MR. BAZA: But go ahead and ask your 11 questions. 12 Anyone can respond to this, I quess. It's kind of directed towards the Division. 13 14 I mean, I was wondering if the Division had a 15 role in preparing the NEPA document for the EA 16 for the permit renewal and whether or not they 17 had a role in making the decision to make a 18 finding of no significant impact and what the 19 Division views its role in preparing the NEPA 20 document. 21 Those are the questions that I have, 22 because it seems from the regulations that they 23 clearly do have a role within the NEPA process



24

25

Thacker + Co LLC

that the Forest Service apparently had issued the

However, it

Court Reporters
Utah's Leader in Litigation Support

finding of no significant impact.

We feel that any project that occurs on Forest Service land must comply with the plan.

And, you know, the project has its--was analyzed in the EA--will not comply with the plan and won't comply with the micro-invertebrates monitoring, the effects to golden eagles, the sensitive species. And that's pretty much why we're here.

And so--to meet some of these concerns, we'd formed this contract, which we understand UDOGM had a role in--maybe not a direct role that was a contract between UEC and the Forest Service--but we had pretty strong indication that UDOGM was playing a hand in that--for that particular contract. And it's still our hope that we can try to counteract some of these concerns that UDOGM may have had with that contract. In light of this being an informal conference, we had hoped to get some dialogue from the Division on how we can resolve some of these conflicts.

MR. MUELLER: Can--

MR. ALDER: Mr. Baza?

MR. MUELLER: Perhaps I could--I just

wanted to make a couple of comments. First, John



Thacker + Co LLC

the Forest Service has, in reality, lost its control over even the ability to consent, because the mine went ahead and—I guess it was the last—the permit was issued in July, which was months before the Forest Service consented. So that's one of the larger problems dealing with surface authority and the decision—making process—and there—the less than perfect relationship between agencies, where the Forest Service has effectively lost its control of the surface.

Now, in filing this objection, UEC had hoped that this process would avail itself of trying to resolve some of the concerns coming out of that mine plan modification, even though this is the renewal of the permit, in the form of getting the terms of—at least the majority of the resolution agreement that we signed with the Forest Service incorporated into the permitting or whatever the appropriate vehicle is.

Doesn't look like that's possible. But

I was hoping that this would be--you know, that-you know, a procedure, an administrative procedure
we could go through to air our concerns before,
you know, having to look at the next step, which



Thacker + Co LLC

has a basis in legal argument or anything like that. But I think that, as I stated in our opening—in my opening statements, this is an opportunity to provide information. And my opinion is that if the information you're providing or any party in this room providing is constructive to the Division's process of renewing the permit, then we'll use that. And we'll utilize it. And we'll incorporate it into our decision making.

But I also have the opinion that this is the Division's decision to make. And if there's a role for the Forest Service or any other party in that decision, that there are procedures in place to make sure it happens. This informal conference is one of those procedures. And so, if the Forest Service were here and wanted to make comment at this time, they are certainly welcome to do that too.

So I really am looking at this informal conference as--just as a method of hearing from interested parties on the permit renewal. And if the Division can incorporate that into their decision making at this point, then I certainly expect that they will.



Thacker + Co LLC

necessarily clear in UEC's mind. If it is, it's certainly not been made clear to me.

 $$\operatorname{MR.}$$ MUELLER: Perhaps I can try to clarify that.

MR. BAZA: Go ahead.

MR. MUELLER: Again, this hasn't been in litigation. It hasn't been in front of a judge. It hasn't been in the courts. We're renewing a permit that was modified. And there's still an-ongoing concerns with the ways that it was just modified in a matter of months ago. So there are concerns with this--the permit basically has some new conditions on it. And we have concerns with the new permit that have never--were not in existence the last time it was up for renewal.

And you're right. The legal differences between renewal and modification and the ability of this administrative process or objection process to try to air concerns and how they overlap--you know, this is not a law that UEC deals with a lot. So there may be confusion. I'm not acknowledging that. I'm just saying maybe there is.

But we were hoping that we could use



Thacker + Co LLC

1	MR. BAN: Yes.
2	MR. BAZA: And this was the NEPA
3	document from this last year
4	MR. BAN: Yeah.
5	MR. BAZA:that related to the mine
6	plan modification.
7	MR. BAN: I think it was the permit
8	renewal, wasn't it?
9	MR. MUELLER: That was the mine plan
10	modification.
11	MR. ALDER: Yeah. That's the
12	confusion.
13	MR. BAN: Okay.
14	MR. BAZA: Then your second question
15	was, what role did they play and what decisions
16	were reached? And third question, I missed if
17	there was one.
18	MR. BAN: Did they have a role in
19	issuing the finding of significant impact?
20	MR. ALDER: Issuing what?
21	MR. MUELLER: Well the only FONSI was
22	the Forest Service FONSI, unless the Division
23	issued one in July that we're not aware of.
24	MR. BAN: Just let him answer.
25	MR. BAZA: Okay.



Thacker + Co LLC

Forest Service, at its appropriate place in the administrative process that led up to the approval of the mine plan modification, had a role to concur. And this is not the correct forum to debate the respective roles of those various agencies.

This forum is to determine, under the rules of the Division, whether or not the Division is under the obligation to approve the renewal.

And the only way they can--that the Division can deny the renewal is to specifically find in writing that one of the elements under R645-303-233 does not exist. And it is UEC's burden, as the objecting party--it is their burden to prove that one of those elements doesn't exist. It isn't--we don't like it, it isn't "Gee, we wanted to raise this issue previously." They have a burden to establish that one of those elements has not been satisfied. Otherwise, the Division, under the language of the rule, will approve the application for renewal.

And so I sympathize that they would like to have their objections heard. And I think they did. And I think PacifiCorp has gone out of the way to try and respond to the concerns when



Thacker + Co LLC

put on the record at this point?

If not--

MR. MUELLER: (Raises hand.)

MR. BAZA: Mr. Mueller.

MR. MUELLER: Yeah. In light of what
John Kirkham said, I don't know if this is
obvious, but the administrative procedures we went
through with the Forest Service, according to his
time line, occurred at least four months, five
months after the mine plan modification he says
was made on July 27. That's something important
to note.

It's also important to note that the Forest Service correctly has held that it has the authority to consent. And I believe John Kirkham is probably trying to split legal hairs where—with saying the Forest Service has authority to concur, which is something other than the consent that the Forest Service gave in December.

MR. BAN: And I also believe that they have the ability to attach coal lease stipulations that are outlined in their plan. I'm not sure when the exact time--the exact--when they're required to attach the timing on that. I'm not exactly sure on--but . . .



Thacker + Co LLC

1 anything I hear as to how that affects the 2 renewal criteria that have been elaborated by so 3 many people. 4 So, I mean, I think this is an informal 5 It's not supposed to be like we're process. 6 making arguments. We want to hear what that is. But I haven't heard anything. So I don't know 7 that our response will take much time. 8 9 MR. BAZA: And do you have a 10 recommendation on how this informal conference 11 should proceed, giving the Division a chance to 12 make that response? 13 MR. ALDER: I think a few days to 14 submit that to you would be helpful before you 15 close the conference. 16 MR. BAZA: All right. Then I'd like to 17 sit with Counsel here for a minute. And we'll go 18 to another room, so--yes, sir. 19 MR. MUELLER: Is that when you'll find out if there's an opportunity to submit additional 20 21 information? 22 MR. BAZA: We will address that. 23 MS. BEARD: Do you have a request on a 24 time that you would need to submit more 25 information?



Thacker + Co LLC

1	the permit renewal is based on the original
2	renewal date. And Mr. Kirkham can correct me on
3	this. But I think we concur in that. But I
4	don't know what your question would be. I think
5	we concur.
6	MR. BAZA: Is there a time certain that
7	the Division has to issue a decision on the
8	permit renewal?
9	MR. ALDER: Yes.
10	MR. BAZA: Pam's nodding her head.
11	MR. ALDER: I'm hearing yes all around
12	me.
13	MR. BAZA: And is that time certain the
14	February 7 date?
15	MR. ALDER: Personally, I haven't
16	researched that.
17	MR. BAZA: I'm seeing heads nodding yes
18	to that also.
19	Well, if that's the case, it seems to
20	be a firm deadline to me. And as we wantyes,
21	Pam.
22	MS. GRUBAUGH-LITTIG: Well, I was just
23	going to say, the permitting essentially expires.
24	And so it has to be renewed by that date. It
25	and you issue a permita renewed permit. And



Thacker + Co LLC

In addition to that, I'll indicate beyond that, there's an opportunity for, obviously, UEC to discuss anything with the Division that applies to its administrative actions that could help in future processes of this type, but that the appeal of any decision that's reached by the Division—and I mentioned this at the beginning—has to go, then, to the Board of Oil, Gas & Mining. And there is a requirement under Rule R645-300-200 that says in order to conduct that administrative review of a Division decision, that you would have to file with the Board of Oil, Gas & Mining within 30 days of the Division's decision.

so with that, again, to reiterate, I'm asking UEC to turn in any information they want to provide to be considered in the permit renewal by this Friday. The Division is under a--at least a prescribed deadline in the rules to make a decision on the permit renewal by a date certain. And then UEC then has the opportunity, of course, for a board hearing appeal to that.

Mr. Kirkham, do you have your hand--MR. KIRKHAM: Well, my only question was whether we'd be given the opportunity to



Thacker + Co LLC

I don't know what they're going to submit. And so it's hard for me to say--if you give them until Friday, PacifiCorp doesn't have that much time before the Division has to make its decision. So we're--we would appreciate getting a copy of what's submitted.

MR. BAZA: Okay.

MR. MUELLER: Would it expedite the process if we sent a copy to you, as well, just so you get it right away?

MR. BAZA: I think it would--

MR. KIRKHAM: Yeah.

MR. BAZA: --if you do that to both
PacifiCorp and the Division. But as I've talked
with Counsel about this, I hope there hasn't been
a misconception about what this informal
conference represents. It is an opportunity to
provide information to help the Division reach a
decision on the permit renewal. It's not
necessarily an opportunity for appeal, because no
decision has been made yet.

And when I indicated at the beginning of the informal conference that we wanted to limit or restrict or avoid a lot of back and forth discussion here, I don't think it's even an



Thacker + Co llc

1 than that? 2 MR. BAZA: Well, honestly, I'm feeling 3 like the informal conference can close as of 4 today. But the UEC is still capable of providing information to the Division --5 6 MR. ALDER: Okav. MR. BAZA: --up until Friday so that the 7 8 Division can reach a decision by the February 7 9 deadline. 10 MR. ALDER: Okay. Thank you. 11 MR. BAZA: Are there any other 12 questions on that? 13 Very well. Then, at this point, we'll consider the conference closed. And UEC will have 14 15 that time frame to submit further statements to 16 the Division. Thank you very much. 17 MR. MUELLER: Thank you. 18 (Proceedings concluded at 11:38 a.m.) 19 20 21 22 23 24 25



Thacker + Co LLC

CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, SCOTT M. KNIGHT, a Registered Professional Reporter and Notary Public in and for the State of Utah, residing at South Jordan, Utah;

That the proceedings were reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said proceedings so taken and transcribed is set forth in the foregoing pages, inclusive.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

Scott M. Knight, RPR Utah License No. 110171-7801

BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---00000---

IN THE MATTER OF

PACIFICORP DEER CREEK MINE

PERMIT RENEWAL

APPLICATION, DEER CREEK

CANYON, EMERY COUNTY,

UTAH

INFORMAL CONFERENCE

FINDINGS OF FACT,

CONCLUSIONS OF LAW AND

ORDER

CAUSE NO. C/015/0018

---00000---

BACKGROUND

On January 24, 2006, the Division of Oil, Gas and Mining ("Division") held an informal conference in the above-captioned matter at the Division of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. Director, John R. Baza conducted the informal hearing under the provisions of the Utah Administrative Procedures Act, Division Administrative Rules, and other applicable law.

Assistant Attorney General Steven F. Alder represented the Division at the hearing. John Kirkham, Esq. represented Applicant/Respondent Pacificorp. Joel Ban, Esq. represented Interested Party Utah Environmental Congress ("UEC"). The purpose of the informal conference was for any interested party to testify, present evidence, or comment on the issues involved in the renewal of Pacificorp's Deer Creek Mine Permit. Kevin Mueller, Executor Director of UEC and Joel Ban commented on behalf of UEC. Steve Alder commented on behalf of the Division. John Kirkham commented on behalf of Pacificorp. After hearing from all parties, receiving full disclosure of relevant facts, reviewing submitted exhibits, and considering

the evidence and relevant law, the Director Baza hereby makes the following findings of fact and conclusions of law, and issues the order below.

FINDINGS OF FACT

- 1. Pacificorp's Deer Creek Mine Permit will expire February 7, 2006.
- 2. Pacificorp filed for renewal on October 6, 2005, 120 days prior to expiration of its current mine permit.
- 3. The Division determined the application for renewal was administratively complete on October 24, 2005.
- 4. The Division published a public notice that the application was administratively complete on November 29, 2005.
- 5. UEC requested an informal conference on December 29, 2005, 30 days after the last published notice pursuant to Utah Administrative Code R645-300-123.
- 6. The Informal conference was held on January 24, 2006, at 10:00 a.m.
- A record of the conference was made by Scott Knight, Thacker and Company, 50 W.
 Broadway, Suite 900, Salt Lake City, Utah 84101.
- 8. The record referenced above will be maintained in the conference file.

CONCLUSIONS OF LAW

 UEC timely requested an informal conference under Utah Administrative Code R645-300-123. Pursuant to R645-300-123.130, UEC had 30 days after the "last publication of the newspaper advertisement" to request an informal conference. UEC requested an informal conference within 30 days.

ORDER

- 1. The informal conference closed on January 24, 2006.
- 2. All interested parties have until Friday, January 27, 2006 at 5:00 p.m. to submit any additional information pertaining to Pacificorp's renewal application to the Division.

DATED this 26^{#/2} day of January 2006.

John R. Baza, Director

Division of Oil, Gas and Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF INFORMAL CONFERENCE for Cause No. C/015/0018 to be mailed by certified mail, postage prepaid, on the <u>27th</u> day of January 2006 to the following:

Joel Ban Wildlaw 1817 South Main Street, Suite 10 Salt Lake City, Utah 84115

Chuck Semborski Energy West Mining Company P.O. Box 310 Huntington, Utah 84528

Alice Carlton U. S. Forest Service Manti – LaSal National Forest 599 West Price River Drive Price, Utah 84501

> Vickie Southwick Executive Secretary

Southweek

Vs

cc:

Wayne Hedberg
Pamela Grubaugh-Littig
John Baza

H:\INFORMAL CONFENCE\DEER CREEK\DEER CREEK MAILINGPD2.DOC

BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE DEER CREEK MINE, PERMIT RENWAL APPLICATION, CARBON COUNTY, UTAH NOTICE OF INFORMAL CONFERENCE

CAUSE NO. C/015/0018

---ooOoo---

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division of Oil, Gas and Mining will conduct an informal conference on, January 24, 2006 beginning at 10:00 am, at the Department of Natural Resources, Room 1010, 1594 West North Temple, Salt Lake City, Utah. The informal conference will be conducted in accordance with the Utah Code 40-10-13 (2005) and Utah Admin. Code R645-300-100 (2005).

Persons interested in this matter may participate pursuant to Utah Admin.R645-300-123. The application, subsequent public comments, and request for informal conference may be inspected in the office of the undersigned, 1594 West North Temple, Suite 1210, Salt Lake City, Utah.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this conference should call Vickie Southwick at 538-5304, at least three working days prior to the hearing date.

DATED this 6 day of January 2006.

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

John R. Baza, Director

Division of Oil, Gas and Mining

State of Utah



December 29th, 2005

Utah Division of Oil, Gas, and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114

RE: Pacificorp Deer Creek Mine Permit Renewal Application Request for Informal Conference

To Whom It May Concern:

This request for an informal conference is being filed on behalf of Utah Environmental Congress for the above permit renewal. Utah Admin. Code R645-300-123. It is being filed concurrently with UEC's formal objection that will form the basis of issues to be discussed during informal conference. These issues are outlined in UEC's objection and include but is not limited to the issue of Forest Service authority to authorize measures designed to protect the surface environment and the points raised in UEC's appeal filed to the U.S. Forest Service. It is attached to UEC's objection. UEC hopes to discuss several of the terms of the agreement that the UEC signed with the U.S. Forest Service.

UEC would prefer to have the conference located in Salt Lake City as opposed to the locale of the coal mine in question. However, UEC would request that the U.S. Forest Service and Alice Carlton attend the conference. UEC does not oppose the conference being held in Price since this is where the Manti La Sal National Forest is located and is proximate to the mine in question.

Sincerely

Ioel Ban

Wildlaw (on behalf of UEC)

BOOMED

DEC 2 9 2005

DPLOFOR, GAS & MINING



December 29th, 2005

Utah Division of Oil, Gas, and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114

RE: Pacificorp Deer Creek Mine Permit Renewal Application Objection

To Whom It May Concern:

This objection is being filed on behalf of the Utah Environmental Congress (UEC) for the above referenced project located on the Manti-La Sal National Forest. Utah Admin. Code R645-300-122. We are concurrently filing a notice for request of an informal conference. Utah Admin. Code R645-300-123. It is our hope that UEC's objection to the currently proposed project can be resolved through such a conference. Our objection mainly pertains to the points raised in the negotiated agreement UEC reached with the Manti-la Sal National Forest, by and through its Forest Supervisor Alice Carlton. Attached. However, there are a number of other violations that the UEC has identified associated with this project. UEC also believes that UDOGM and some other federal agencies misinterpret applicable statutes and regulations related to this project, and it is our sincere hope that all parties can resolve these disputes through an informal conference.

Some preliminary interpretations of the extent of UDOGM's authority to implement NEPA are at issue. Within the Deer Creek EA it states that OSM has delegated the preparation of the EA to DOGM with OSM assistance where appropriate. EA, p. 4. The regulations allow UDOGM authority to prepare an EA, but explicitly state that OSM will continue to be responsible for NEPA responsibilities in the following areas:

- i. Determining the scope, content and format and ensuring the objectivity of NEPA compliance documents;
- ii. Making the determination of whether or not the preparation of an environmental impact statement is required.
- iii. Notifying and soliciting views of other state and federal agencies, as appropriate, on the environmental effects of the proposed action;
- iv. Publishing and distributing draft and final NEPA compliance documents;
- v. making policy responses to comments on draft NEPA compliance documents;
- vi. independently evaluating NEPA compliance documents; and
- vii. Adopting NEPA compliance documents and determining federal actions to be taken on alternatives presented in such documents. 30 C.F.R. §740.4(c)(7).

It appears that the responsible agencies were not in compliance with this particular provision. With respects to the 1st point from the above regulation UEC received scoping notices from the Forest Service and UDOGM for this project, but never from OSM as the regulation requires. For the 2nd point above the decision to not prepare an EIS appears to have been made by the Forest Service, but not UDOGM or OSM. This would seem to violate the above regulation. The fourth requirement from the above regulation would seem to require OSM to circulate the draft NEPA document, however this was never done. For the other requirements pursuant to the above regulation it is unclear whether OSM complied with these provisions as UEC does not sufficient information to evaluate compliance. This is not an authoritative analysis of UDOGM'S role in the NEPA process vis a vis other agencies. If other statutes/regulations clarify this issue please provide the relevant citations so this issue can be resolved for future projects.

On page 4 of the EA it also states that based on section 523(c) of SMCRA UDOGM is permitted to regulate surface coal mining operations and surface effects of underground mining. It is UEC's belief that the primary agency charged with protection of surface resources is the Forest Service since they are the federal land management agency in this case. Furthermore, this section of SMCRA does not charge UDOGM with authority to regulate activities pertaining to surface effects on Forest Service land.

Under section 523(c) of SMCRA, a State with an approved State program may enter into a cooperative agreement with the Secretary of the Interior (hereinafter referred to as the Secretary) to provide for State regulation of surface coal mining and reclamation operations on Federal lands within the State.

If UEC is incorrect in this interpretation of this section of SMCRA please provide the specific portion of SMCRA or the Mineral Leasing Act (MLA) that allows state regulators like UDOGM to regulate surface effects on lands managed by the U.S. Forest Service. Regulations under the (MLA) require that leases be issued only with the consent of the agency that has jurisdiction over the lands that contain the coal deposits. 43 C.F.R. §3400.3-1. These leases are also subject to certain conditions that the federal land management agency may prescribe for the protection of those lands. Id.

The federal land management agency, in this case the U.S. Forest Service is responsible for:

- 1. Determining post-mining land uses;
- 2. Protection of non-mineral resources. 30 C.F.R. §740.4(e).

The rights of the U.S. Forest Service were affirmed in a letter dated December 1st, 2005 from Alice Carlton, Forest Supervisor of the Manti-La Sal National Forest to Mary Ann Wright, Associate Director of Mining at UDOGM. A copy of this letter is attached for easy reference to the letter's main points. UEC and the Manti-La Sal National Forest made fruitful efforts to work together and agreed to take certain measures to protect the surface environment in November of this year. The parties agreed to protect the surface environment through macroinvertebrates monitoring and maintenance of a BCI level for macroinvertebrates. In addition, the parties agreed that the 200 acres of timber would not be harvested. It is our understanding that based on objections from UDOGM and the permittee the agreement was breached by Alice Carlton on

November 28th. It is UEC's belief that its appeal raised several viable appeal points, and that the Forest Service was well within its authority to take these reasonable measures to protect the environment. If UDOGM disagrees that the Forest Service was within its authority in reaching this agreement please provide explanation based on applicable statutes and regulations. UEC was willing in the past to make further concessions in this agreement; however these attempts were apparently rejected by some interested parties. It is our hope that this objection process will allow the relevant parties to resolve some of these unresolved points.

Of course UEC's attempts to resolve this appeal are based on apparent violations of law outlined in its appeal. Some of violations of law are based on the National Environmental Policy Act (NEPA), and I would refer you to the attached appeal for a detailed discussion of those violations. Needless to say it appears that the Forest Service's Finding of No Significant Impact (FONSI) is not based on sufficient evidence. Many federal courts have held that an agency must produce a convincing and well-supported document that supports a FONSI. The EA failed to do this. Impacts from the road, road construction, and water and aquatic habitat quality suggest there will be significant impacts to the environment.

The EA states there will be impacts to the Management Indicator Species (MIS) and Forest Service Sensitive species Golden Eagle. The EA notes on page 34 how the project could cause the eagle to abandon its territory. The Manti La Sal National Forest Plan prohibits activities that could cause abandonment of active nests. Plan, III-20. How the impacts to big game MIS such as deer and elk are insignificant is unknown as well. Elk will incur direct/indirect effects for 30 years, and are also like to suffer due to the cumulative effects of future management activities.

Additionally, it appears that the EA failed to analyze the impacts from the change in right of way, additional traffic on highway U-31, and the other projects associated with water drilling in Rilda Canyon. These actions, left analyzed, leave the agencies unable to determine whether there will be significant impacts to the environment.

The applicable agencies clearly violated NFMA and the Manti-La Sal National Forest Plan by failing to monitor the population trends of MIS goshawk, elk, mule deer, macroinvertebrates, and golden eagle. Please see UEC's appeal on this issue located on page 11 of the appeal. Additionally, Forest Plan standards for macroinvertebrates are not being met and will not be met for the diversity index (DAT) or Biotic Condition Index (BCI).

The EA does not mention or discuss the direct and indirect effects of the proposed "mitigation" to log 200 acres as a part of this project. Under NEPA the direct and indirect effects of a project must be analyzed. 40 C.F.R. §1508.7 §1508.8. It is hard to understand how such an activity will mitigate environmental damage as opposed to being the cause of environmental damage. An EA must provide a detailed analysis of proposed mitigation measures. O'Reilly v. U.S. Army Corps of Engineers, 2004 WL 1794531 (E.D.La.,2004). This is a fundamental flaw and should be dropped as a component of the project.

¹ It is unclear if UDOGM also intends to issue a FONSI as the Forest Service did.

² See Pac. Marine Conservation Council v. Evans, 200 F. Supp. 2d 1194, (D. Cal. 2002); Sierra Club v. United States DOT, 243 U.S. App. D.C. 302, (D.C. Cir., 1985) Makua v. Rumsfeld, 136 F. Supp. 2d 1155, (D. Haw., 2001).

Please consider these issues carefully so that the informal conference is as constructive as possible. Also please don't hesitate to contact me with any questions. Thank you and please consider the attachments to this objection as well.

Sincerely,

Joel Ban

Wildlaw (on behalf of UEC)

Attachments

Letter from Alice Carlton to Mary Ann Wright 12/1/05

Appeal Resolution between UEC and the Manti La Sal National Forest 11/4/05

UEC Administrative Appeal to the Manti La Sal National Forest

INFORMAL CONFERNCE DEER CREEK MINE C/015/0018 JANUARY 24, 2006

Name	Company	Telephone Number
Joe 1 Ban	Wildlaw	801-474-7676
Jeff M'Kenzin	BLM State Office	801-539-4038
Stephen Falk	BLM - Price	435 -636- 3605
Steve Rigby	BLM/FS Price	435 636 3604
Brela Grobaugh-	Hig DOGM	801-538-5268
Vicky Miller	Dugout /CFC	435 636-2869
Grego Galecki	Skyline /CPC	435 448-2636
Nayne tedberg		801-538-5286
Jerriann Era	steen Doom	538 5214
Kevin Mueller		901 466-4055
SCOTT CHILD	PACIFICORD-/NTERNET	a. 801-220-4612
JOHN S. KIRKHAM	STOEL RIVES	(801) 578-6956
	PACIFICORD/ENERLY WEST	(435) 687-4720
XEN FLECK	PACIFICORP/ENERGY WEST	(435)687 - 6638
Ray O. Petersen	Emery County	435 381 5.552
Mary Anthright		801-538-5301
7 0	,	



Court Reporters

Utuh's Leader in Litigation Support

801-983-2180

Fax: 801-983-2181

DEPOSITION CONFIRMATION

DATE:

January 9, 2006

TO:

Vickie Southwick

FIRM:

Division of Oil, Gas, & Mining

FAX NO: FROM:

359-3940 Evelyn Merrill

RE:

Confirmation of Assignment

On behalf of Thacker + Co, we **thank you** for scheduling your board meeting with us. This fax will confirm that we will have a court reporter present on the date shown below.

CASE INFORMATION

Assignment Date/Time: \

January 24, 2006 @ 10:00 a.m.

Location:

Division of Natural Resource, Room 1010

Case Name:

informal hearing

Special Requests:

QUESTIONS or CHANGES REGARDING THIS ASSIGNMENT

in the interest of time, accuracy and consistency, please notify our office with any changes, additions or specific requests you may have regarding this assignment

Thank you for your confidence in our services and if we can assist you further in any way regarding this or any other assignment, please call us.

Corporate Offices: 50 West Broadway, Suite 900, Salt Lake City, UT 84101

2 DEP/ 3 4 IN THE MATT DEER CREEK 5 RENEWAL API CARBON COU 6 ~~~~~~~	MINE, PERMIT Cause No. C/015/0018 PLICATION, NTY, UTAH. INFORMAL CONFERENCE Department of Natural Resources 1594 West North Temple Salt Lake City, Utah January 24, 2006	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	Informal Conference January 24, 2006 PROCEEDINGS MR. BAZA: My name's John Baza. I'm the director of the Division of Oil, Gas & Mining. And I am the designated presiding officer for this informal conference. And this is an informal conference being held in the matter of the Deer Creek Mine permit renewal application in Carbon County. It's designated as Cause No. C/015/0018. I'm going to make a few opening remarks. And then we'll take comments from parties in this. First of all, this informal conference is being held at the request of Utah Environmental Congress and pursuant to Utah Administrative Code R645-300-123. The division's conducting this hearing in accordance with the Utah Administrative Procedures Act, Utah Code Section 63-46b-5. The purpose of the informal conference is for any affected party to testify, present evidence or comment on the issues involved in the renewal of PacifiCorp's Deer Creek Mine permit. For the sake of expediency and to keep the
5 Mining 6 . 7 FOR THE PI 8 Keli Beard, 9 . 10 OFFICER: 11 FOR THE DI 12 Steven F. AI 13 . 14 FOR UTAH I 15 Joel Ban 16 Kevin Muelli 17 1817 Sout 18 Salt Lake 19 . 20 FOR PACIFI 21 John S. Kirk 22 STOEL, RIV 23 201 South	Director of the Division of Oil, Gas & RESIDING: Assistant Attorney General IVISION OF OIL, GAS & MINING: Ider, Assistant Attorney General ENVIRONMENTAL CONGRESS: er th Main Street, Suite 10 City, Utah 84115 CORP:	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	Page 4 meeting moving, I'm going lay out a few ground rules that I desire and then follow up with what will proceed subsequent to this informal conference. So I'm going to indicate that the following procedure should apply to this informal conference. First of all, I would ask that those parties who are here, in order to keep things moving, I'd like to limit their presentations to no more than 30 minutes for any testimony, evidence, or comment that they want to provide. I'm also going to indicate that there'sthis is not an opportunity for back and forth discussion or cross-examination. Please direct all your comments and questions to me as the presiding officer and refrain from discussion with other parties involved, including the Division. All parties have access to the information in the Division's files to the extent required by law. And those are public records and are available for review in our public information center. So if you have not yet had the opportunity to review what is in our public information center, you certainly will prior to

1 (Pages 1 to 4)



Thacker + Co LLC

6

7

8

9

10

11

12

13

14

15

17

18

19

20

21

22

23

24

25

Page 5

the Division issuing any final decisions on this.

2

3

7

8

9

10

11

12

13

14

15

16

17

18

19

20

22

23

24

25

5

6

7

8

9

10

11

12

13

14

15

16

17

19

20

21

22

23

25

And as the presiding officer, I'll issue an order upon closure of the informal conference providing any decision that must be reached and the reasons for that decision. I will be--not be making any decision on the merits of the application as the Division will do that in the course of reviewing the permit renewal and in accordance with established rules.

I'd like to go on and indicate what we view both in the Division and our attorneys as far as the following standards, which apply to applications for renewal.

First of all, a valid coal mining permit carries with it the right of successive renewal. This is referenced to Utah Code Section 40-10-9, Part 4A. The Division is obligated to issue this renewal unless certain conditions apply. One is that the terms and the conditions of the permit are not satisfied. Two would be 21 that the coal mining operation is not in compliance with the approved plan. Three, that the operator does not have evidence of liability insurance as required under the rules. Four, that the renewal would substantially jeopardize the

Page 7

MR. BAZA: Let's just identify any other parties who are interested in commenting on the record today.

MR. KIRKHAM: John Kirkham of the Stole, Rives law firm, appearing on behalf of PacifiCorp. And we have Scott Child from Interwest and Chuck Semborski from Energy West.

MR. BAZA: Okay. Anyone else? MR. ALDER: The Division would like to

respond, but we aren't necessarily going to make any comments.

MR. BAZA: Very well. So as I indicated in our ground rules today, I'd like each of the parties who wish to comment on the record to limit their information presented to 30 minutes. If there's additional information that you would like to submit in writing, I will provide you with enough time to do that before we close out the informal conference.

So with that being said, Mr. Ban, I'll turn the time over to you and let you proceed with your presentation.

MR. BAN: Okay. Just to go over the main points of our objection, the objection was filed--it's based on a history of events. In

Page 6

operator's responsibility on the approved plan. Five, that the operator has not provided evidence 3 that the bond will continue to be in effect. Or six, that any additional information required by the Division has not been provided.

And these, as I said, are in accordance with Utah Code Section 40-10-9 and also Utah Administrative Code Rule R645-303-233.

Interested parties have the right to challenge any decision made by the Division to the Board of Oil, Gas & Mining. And should a party choose to challenge the Division's decision, the burden of proof will rest with the opponents of renewal.

So that being said, I'd like the parties who wish to present information or comment today to please identify themselves. I know that 18 the letter of objection received was received from Mr. Joel Ban for the Utah Environmental Congress. And if you could state your name again for the record.

MR. BAN: My name's Joel Ban. And I work and represent the UEC. To my right's Kevin Mueller. He's the director of UEC. Do you want me to--

Page 8

October of '05, the UEC had filed an appeal, administrative appeal to the Forest Service based on a number of violations of NEPA as well as the 3 Manti La Salle Forest Plan. These violations are 4 5 related to the fact that the EA in this case made a finding of no significant impact. However, 6 we're not sure that all the effects of the 7 8 proposed mining portal were analyzed. 9

The EA had made a finding of no significant impact. However, there were a number 10 of effects that weren't analyzed, including the 11 effects of the golden eagle. The Manti La Salle 12 Forest Plan does, in fact, prohibit the nest 13 abandonment of golden eagles, which the EA had 14 disclosed--was a likely impact from the proposed 15 16 activities.

There are a number of issues that we enclosed in our objection that hopefully the Division and PacifiCorp have reviewed. And I'm not going to go into the details of the appeal.

The objection was filed mainly because the UEC had entered into informal appeal resolution with the Forest Service. I wasn't intimately involved in those discussions.

However, Mr. Mueller had detailed discussions, I

2 (Pages 5 to 8)



Thacker + Co llc

17

18

19

20 21

22

23

24

Court Reporters

Page 9

know, with Ms. Alice Carlton from the Manti La Salle. She's the forest supervisor on the Manti La Salle. And I think those began in--October or November--

2

3

4

5

6

7

8

9

10

11

13

15

17

23

24

2

5

6

7

8

9

10

11

12

13

14 15

16

17

18

19

20

21

22

23

24

25

MR. MUELLER: Yeah. Both of those months, I believe.

MR. BAN: --yeah, October and November of '05. And based on a lot of drafting of documents that included a lot of editing, I know the UEC and the Manti La Salle had entered into what appeared to be a contract for the resolution of that appeal.

12 Based on subsequent discussions that 14 Ms. Carlton had had with--apparently with UDOGM and PacifiCorp, that contract was breached later that month, in November. And as a result, UEC 16 had the opportunity to present some of these 18 issues for this objection process, which--I believe that this contract or at least some of 19 the terms of the contract should try to be 20 21 resolved through this objection process and perhaps some of the terms can be--I don't know if 22 they can become a part of the new contract or if the parties can informally agree to abide by some of these terms, that could be discussion for this 25

add some--

2

3

4

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

MR. MUELLER: Well, I know as this--as the process has evolved, you know, everybody here should know, you know, this project is better than it was--what--three or four years ago when an original proposal was to put the facilities right on top of the creek and culvert the creek. So it's come a long way from the initial proposal from the company.

It could still be made a better proposal--a better project that accomplishes the objectives and the needs while ensuring better environmental protection and monitoring occurs. And that's where we're interested in seeing if this objection process, which is new to the Utah Environmental Congress and Wildlaw. We've never been involved in this before, so we're hoping we can--you know, that this process will avail itself to make an improved decision that accomplishes the objectives and attain a further degree of environmental protection that is possible.

Additional concerns came out after the appeal resolution was signed with the Manti La Salle. And we found out that there--you know, there was some kind of political back and forth

Page 10

objection--however, we do feel that some of the underlying problems with the situation is that the Forest Service in this informal appeal resolution period had agreed to take certain measures to protect the surface environment, which the Forest Service is entitled to do.

And it seems that the -- some of the other parties involved had aired their opinion that the Forest Service didn't have the authority to interject these certain provisions into this contract.

So at this time, we hope that certain monitoring will occur. The monitoring of microinvertebrates. We do know that this project will inflect short-term major effects on the ecosystem, specifically the watershed within Deer Creek, as well as impacts to the golden eagle, which I alluded to before, the--certain mitigation measures were proposed that weren't discussed in the EA. We feel that's a major flaw within the analysis. And there are certain other provisions of SMCRA and the mineral leasing act, which we don't feel were complied with in terms of the

overall NEPA process for this particular project. And I don't know if Kevin might want to

Page 12

Page 11

between DOGM, Forest Service, the mine. I don't know who else. But it became clear that the Forest Service feels unempowered to manage a lot 3 of surface facilities. And that's something that 4 5 is a new concept to me. You know, in reviewing some of the new--the regulations that we don't 6 usually deal with, such as SMCRA and--it doesn't 7 8 look like the Forest Service has, you know, in the legal realm, lost its authority to manage the 9 surface to the degree that it appears that in 10 reality it has. And that's a concern that 11 12 emerged after the appeal resolution process with 13 the Forest Service.

14 That's something that really concerns 15 me, because it's not just an issue with this 16 facility and this mine and the mine plan modification, but for the ability of agencies to 17 work together into the future and the ability of 18 19 the Forest Service to maintain its legally granted surface control authority, especially to commit to 20 terms in the forest plan that the Forest Service 21 apparently feels unempowered to be able to commit 22 the mine to sticking with. That's a real

23

concern, because it makes the forest plan 24

25 meaningless. You know, if you have monitoring,

3 (Pages 9 to 12)



Thacker + Co llc

Court Reporters

6

7

8

9

10

12

13

14

15

16

17

18

19

20

21

22

23

24

3

4

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

Page 13

know, standards and guidelines in the plan that when a project is approved, are not really applied, then the plan is a useless document. And that's a real fundamental concern.

3

5

6

8

9

10

11

12

13

14

15

17

18

19

20

21

22

23

24

25

2

3

4

5

7

8

9

10

11

12

13

14

15

those lands.

I don't know if this process is precedent setting or if this is something that's been happening for a long time with the coal mines on Forest Service lands.

MR. BAN: And just to add something to that note is UEC, my client, watches over projects across the entire State, especially in the Manti La Salle. And I know the Forest Service isn't here, but--and I know PacifiCorp is probably more interested in this project than the other projects that UEC watches over. But UEC feels in this 16 case--could be precedent setting, because if the Forest Service isn't able to protect the surface environment in this case, then other projects that are proposed down the road that have similar surface impacts and other projects that have been implemented in the past will--they'll be similarly unable to assert their authority to protect the surface environment on projects that occur on

And we feel this is a big problem,

purpose, which is to resolve conflicts and result in better decision making.

Page 15

MR. BAZA: We're in receipt at the Division of your letter dated December 29. It was received on December 29 of 2005. I believe that's the one you're referring to in terms of the information you've already presented.

MR. MUELLER: Yeah.

MR. BAZA: And--I had a couple of questions. And I don't know if--have you got more information that you wanted to present or discuss in addition to what you've said in this letter?

MR. BAN: Maybe in response to something you say or PacifiCorp says, but not at this time.

MR. BAZA: Okay. One question I have is the--this project, or this decision making that we're going to right now is a permit renewal application. And I believe that some of the comments that you've made were in reference to a decision on Rilda Canyon expansion. Okay? Do you view those as being connected or--it seemed to me that the decision making process for the Rilda expansion we've gone through that already. Is

Page 14

which is, you know, arisen in the past and could also be a problem in the future. And we hope that certain--there's a certain understanding among this agency as to what their role is in terms of projects that occur on Forest Service land. So that's kind of another goal, I guess, of UEC at this time.

MR. MUELLER: And I think it's evident in the--you know, the objection that the attached appeal, that we believe it's clear that there should have been an EIS process. And the mitigation measures that were committed to should have been analyzed under that and addressed and committed to under that EIS process, because there are significant impacts from this project 16 cumulatively. And the mitigation measures that

17 were committed to, some weren't even addressed in 18 the EI--in the EA process. And some of the

19 mitigation measures we believe will actually 20 increase the total impacts on wild life and on

the watershed as opposed to reducing the impacts. 21

And--but that's a concern that obviously couldn't 22 23 be addressed in the resolution process or the

24 objection process here. But we're hoping to be

able to make this process avail itself of its

Page 16 there a connection between this permit renewal and

the Rilda Canyon expansion, in your viewpoint? MR. BAN: Kevin may feel differently, but I thought I was commenting just on the portal

construction and the permit renewal. I don't think I was commenting on the Rilda Canyon. MR. BAZA: Okay. So your comments are

really directed towards the permit renewal of the Deer Creek Mine.

MR. BAN: I believe so.

MR. BAZA: Okay. So when you referred to the project, that's the project at hand is the permit renewal.

MR. BAN: Yes.

MR. BAZA: Okay. Well, I guess Mr. Kirkham, we'll turn some time over to you to make some comments.

MR. KIRKHAM: Thank you, Mr. Baza. As indicated, I think maybe we need to just review for the record--and I'll try not to repeat what you've already reviewed--but for the record, the current status of the PacifiCorp permit is that there are no pending permit revisions. The mine permit has been fully approved. And there are no pending appeals or unresolved issues related to

4 (Pages 13 to 16)



Thacker + Co llc

Court Reporters

6

7

8

9 10

11

12

13

14

15

16

17

18

19

20

1

3

4

5

6

7

8

9

11

12

13

14

15

16

17 18

19

20

21

22

23

24

25

Page 17

the mine permit. Again, for the record, the Division's last action with--in connection with the revision to the permit took place on July 27 and was accepted by PacifiCorp on August 5.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22 23

24

25

6

7

8 9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

November 29.

As indicated, there was an appeal filed within the Forest Service appeal process. That appeal has subsequently been denied. And there was no further appeal of that denial.

On December 21, the assistant secretary of the Department of the Interior approved the action of the Division. And there is currently no pending Federal action that brings into any of the current process before the Division the National Environmental Policy Act, or NEPA.

Separate and apart from the revisions that were made and approved, the permit is subject to renewal as of February 7, 2006. PacifiCorp made a timely submission of a renewal application on October 6, 2005. That submission was determined administratively complete by the Division on October 24 of 2005. The notice that's required under the rules was published on November 8. And the date of last publication was

Also, the Division is required to

permit renewal. And, again, since they didn't 2 address any of those issues and since you've 3 already reviewed them, I won't go through them 4 again.

Page 19

Page 20

But I think that it's appropriate to respond to a couple of things that UEC talked about. One was a violation of NEPA. As I've indicated, there is nothing in this renewal process that involves NEPA at all. There are no Federal agencies that are making a decision here. And there is no trigger that brings this within the jurisdiction of NEPA.

There was reference made to negotiations with the Forest Service. I think it's appropriate to indicate for the record that at the time UEC was having those negotiations with the forest supervisor, the jurisdiction for the specific revision that has subsequently been approved was not at this forest supervisor level within the process.

21 A reference was made to a contract that 22 was breached. Well, there was no contract that 23 had anything to do with anything. The 24 jurisdiction for all of those matters was to the 25 extent it existed, within the appeals Division of

Page 18

publish a notice in connection with that renewal process. And that occurred on November 15. As I think you've indicated, the application review deadline was December 29. And a written objection was filed on December 29, which is the reason for this informal conference.

Again, as you have stated, the permittee has a right of renewal. And the Division, under both the statute, which you've cited as 40-10-9(4)(a), provides that the Division shall renew the permit unless it enters very specific findings, which you previously outlined, and I won't review again.

I think the critical thing here is that under both the statute and specifically under the provisions of R645-303-233.200, the burden of proof--and let me just quote that--it says, "In the determination of whether to approve or deny a renewal of a permit, the burden of proof will be on the opponents of renewal."

And as we've listened to the position of UEC--and I think I took notes that would try to address these issues--there was nothing in their presentation that related to any of the criteria the Division looks at with respect to

the Forest Service.

Concerns were expressed over the Forest Service authority as the surface management agency and the processing of what I assume were revisions. In connection with a permit renewal, since it is an absolute right of renewal, unless the Division enters certain specific findings, there is no Forest Service jurisdiction in connection with this renewal process that is under 10 way right now.

I should also point out that SMCRA does establish the roles of the various respective agencies in connection with both the permitting process and the renewal process. And that's not an issue that is within the jurisdiction of the Division to try and be dealing with.

Based upon everything we've heard--and specifically, since we did not hear anything that relates to any of the criteria that the Division has to review in connection with the renewal, it appears to us that what was raised related solely to what was the prior appeal that the objecting

party, UEC, brought, and had subsequently lost. And so we don't feel there's any reason

to try and relitigate those issues in this renewal

5 (Pages 17 to 20)



Thacker + Co llc

Court Reporters

Page 21 Page 23 asked for under any of those provisions. I process. The Division is required to take action by February 7 on the renewal application. And we suspect the kinds of things that the Division just encourage the Division to grant the renewal. 3 might ask for would be things that relate directly 4 to the criteria, such as providing evidence of MR. BAZA: Okay. I also have a couple 5 of questions for you, then, Mr. Kirkham. 5 insurance, providing evidence that the bond was in 6 MR. KIRKHAM: Great. 6 place, those kind of things. MR. BAZA: The--you said the permit was 7 MR. BAZA: So in your opinion, the 7 8 8 subject to renewal on February 7 of 2006. Do you Division's action to determine the renewal 9 have a rule citation for that-application is administratively complete was the 10 MR. KIRKHAM: A rule citation? No. 10 opportunity for the Division to ask for those--MR. KIRKHAM: Correct. That's in the permit itself. 11 11 MR. BAZA: --additional pieces of MR. BAZA: It's in the permit itself. 12 12 13 MR. KIRKHAM: Yeah. That's the date 13 information at that time. that is specified in the permit itself. MR. KIRKHAM: Yes. 14 14 15 MR. BAZA: Okay. And then--15 MR. BAZA: Okay. Anything further, Mr. 16 MR. KIRKHAM: I might just add to that, 16 Kirkham? the rule does require that a permit application be 17 MR. KIRKHAM: I believe that's it. 17 MR. BAZA: Okay. Mr. Alder, you filed 120 days prior to that date. And that's 18 18 indicated you may want to say something. Is 19 the date that I indicated the application was 19 20 timely submitted. 20 there--are you--21 MR. BAZA: Okay. And then a subsequent 21 MR, ALDER: Yes. We might feel--I just 22 question. You indicated in your opinion that 22 want to reserve the right to reply if necessary. 23 23 there was nothing really presented by UEC that I don't think it is necessary at this time. 24 relates to renewal criteria. And I reference 24 MR. MUELLER: May-those renewal criterias here. As I was making my 25 MR. BAZA: Yeah. I think we offer an Page 22 Page 24 opening comments, there's one of those renewal opportunity now for UEC to respond, to add any criteria I'd like your opinion on, which is Item 2 additional information you want to include on the No. 6, which is any additional information 3 3 record. required by the Division that has not been 4 4 MR. BAN: Can I ask questions of the provided. Would you comment on that and what--in 5 5 Division? your opinion, what types of items would be 6 MR. BAZA: I can say this. You can ask 6 addressed in that particular criteria? 7 the questions, but you may not be able to get the 8 MR. KIRKHAM: Sure. That--just for the 8 answers today. record, that requirement is found two places. In 9 9 MR. BAN: Okay. the statute, it's at 40-9--I'm sorry--40-10-9 10 MR. BAZA: But go ahead and ask your 10 (4)(a), I believe it's small 5, or Roman numeral 11 11 V, states, "Any additional, revised, or updated MR. BAN: Anyone can respond to this, I 12 12 information required by the Division has not been 13 guess. It's kind of directed towards the Division. 13 14 provided." And then the appropriate rule is, 14 I mean, I was wondering if the Division had a 15 again, R645-303-233.160. And that states, 15 role in preparing the NEPA document for the EA 16 "Additional revised or updated information for the permit renewal and whether or not they 16 required by the Division under R645-303-232.250 had a role in making the decision to make a 17 17 18 has not been provided by the applicant." And a 18 finding of no significant impact and what the reference to 250 just is simple--a simple Division views its role in preparing the NEPA 19 19 20 statement, "Additional revised or updated 20 document. 21 information required by the Division." 21 Those are the questions that I have, 22 Long introduction, short answer. The 22 because it seems from the regulations that they 23 Division determined the application to be clearly do have a role within the NEPA process 23 that the Forest Service apparently had issued the administratively complete on October 24. 24 24 Therefore, there was nothing that the Division had finding of no significant impact. However, it

6 (Pages 21 to 24)



Thacker + Co LLC

Court Reporters

3

7

8

10

11

12

13

14

15

16

17

19

20

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

Page 25 seems from what the PacifiCorp representative was saying was that they issued--the UDOGM issued a decision in--when was it?

MR. MUELLER: That was in--July 27. That was for the modification.

2

3

4

5

6

7

8

9 10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

2 3

4

5

6

7

8

9

10

11

12

13

14

15

16 17

18

19

20

21

22

23

24

MR. BAN: Right. They issued a decision in July 27. But the decision to make a finding of no significant impact wasn't made until later in the fall. And I'm just curious as to what the Division's role in making that finding

MR. KIRKHAM: Mr. Baza, I know we're not in a formal process, but--and so I won't couch this as an objection. But I would state for the record that none of that is relevant to the renewal process. That had to do with the revision process that has now passed and gone. The renewal process was not even initiated until October 6 and is not an action that involves NEPA at all.

MR. BAN: I guess we're here because we're concerned with the NEPA aspect of the project. And certainly we're concerned with the surface environment and the compliance with the plan.

Kirkham--is that--

MR. KIRKHAM: Yes.

MR. MUELLER: --is that right? John made a reference to no need to relitigate something having to do with PacifiCorp. I just wanted to clarify. At least as far as UEC and Wildlaw are concerned, we've never been involved in any litigation relating to the mine or the permitting. I just want to make that clear. So maybe there's been other litigation from other organizations or interested parties. I don't know. I just want to make that clear.

Page 27

John made the point that the last action for the mine plan--I think it was the modification--was in July '05--July 27, I think. And I just wanted to note that the Forest Service--I think this is part of the confusion and gets at the conflict in why we're here. Forest Service consent for that was issued on December 1, 2005. If you don't have a copy--I assume everybody does have a copy right in front of--

21 MR. BAN: It's attached to the 22 23 objection.

MR. MUELLER: So I think that gets--24 25 that just highlights one of our concerns is that

Page 26

We feel that any project that occurs on Forest Service land must comply with the plan. And, you know, the project has its--was analyzed in the EA--will not comply with the plan and won't comply with the micro-invertebrates monitoring, the effects to golden eagles, the sensitive species. And that's pretty much why we're here.

And so--to meet some of these concerns, we'd formed this contract, which we understand UDOGM had a role in--maybe not a direct role that was a contract between UEC and the Forest Service—but we had pretty strong indication that UDOGM was playing a hand in that--for that particular contract. And it's still our hope that we can try to counteract some of these concerns that UDOGM may have had with that contract. In light of this being an informal conference, we had hoped to get some dialogue from the Division on how we can resolve some of these conflicts. So . .

MR. MUELLER: Can--MR. ALDER: Mr. Baza?

MR. MUELLER: Perhaps I could--I just wanted to make a couple of comments. First, John

Page 28 the Forest Service has, in reality, lost its control over even the ability to consent, because the mine went ahead and--I guess it was the last--the permit was issued in July, which was months before the Forest Service consented. So that's one of the larger problems dealing with surface authority and the decision-making process--and there--the less than perfect relationship between agencies, where the Forest Service has effectively lost its control of the surface.

Now, in filing this objection, UEC had hoped that this process would avail itself of trying to resolve some of the concerns coming out of that mine plan modification, even though this is the renewal of the permit, in the form of getting the terms of--at least the majority of the resolution agreement that we signed with the Forest Service incorporated into the permitting or whatever the appropriate vehicle is.

Doesn't look like that's possible. But I was hoping that this would be--you know, that-you know, a procedure, an administrative procedure we could go through to air our concerns before,

24

you know, having to look at the next step, which

7 (Pages 25 to 28)



Thacker + Co llc

Court Reporters

6

7

8

9

10

11

12

15

17

18 19

20

21

22

23

24

3

4

5

6

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Page 29

would be litigation. Now, if the differences between the permit renewal and the mine plan modification from last summer are going to be treated as so distinctly that they're--you know, one is outside of the scope of the other within this objection process, then so be it.

5

6

8

10

11

12

13

14

16

17

18

19

20

21

22

23

24

25

4

5

6

9

11

12

13

15

16

17

18

19

20

21

22

23

24

But I hope that we can just try to incorporate some of the terms of the resolution agreement to protect the surface in that area. And that would be a way to get around having to litigate for the first time with this and having to do with the courts, because it's always easier to deal with this stuff before you start. And that's why I wanted to clarify when I started that, you know, there has been no litigation so far. It's all been, you know, administrative procedures.

And--so perhaps I could end this with a question that you can--I would hope you can answer is--does this objection process with the permit renewal--is it impossible to address some of the concerns that I highlighted that I'd hoped we could use this objection process for?

MR. BAZA: Well, I can give you an opinion. And I'm not sure that this opinion is--

MR. MUELLER: Will there be an opportunity after this meeting today to submit additional information for you to consider?

Page 31

Page 32

MR. BAZA: I'm going to visit with Counsel here about that. But I'd like to make sure we have information--any information that needs to be provided before I do that. And then I can respond to that.

Mr. Alder, you've got your hand up back there.

MR. ALDER: Well, I did want to--since the question was directed to the Division, just make it of record that the Division would be glad to respond specifically to those questions after they've had a chance to consult with the staff. But it does appear on the surface, at least, that there's not a clear understanding by UEC that--the difference between the modification, which appears to have run its course in the courts. They my disagree to that--and the renewal. And I think the burden of making the connection between the modification terms and conditions that you're upset about, whatever they are, which has not been made clear, and how that becomes an issue in this renewal, I just--I don't think that connection is

Page 30

has a basis in legal argument or anything like that. But I think that, as I stated in our opening--in my opening statements, this is an opportunity to provide information. And my opinion is that if the information you're providing or any party in this room providing is constructive to the Division's process of renewing the permit, then we'll use that. And we'll utilize it. And we'll incorporate it into our 10 decision making.

But I also have the opinion that this is the Division's decision to make. And if there's a role for the Forest Service or any other party in that decision, that there are procedures in place to make sure it happens. This informal conference is one of those procedures. And so, if the Forest Service were here and wanted to make comment at this time, they are certainly welcome to do that too.

So I really am looking at this informal conference as--just as a method of hearing from interested parties on the permit renewal. And if the Division can incorporate that into their decision making at this point, then I certainly expect that they will.

necessarily clear in UEC's mind. If it is, it's certainly not been made clear to me.

MR. MUELLER: Perhaps I can try to clarify that.

MR. BAZA: Go ahead.

MR. MUELLER: Again, this hasn't been in litigation. It hasn't been in front of a judge. It hasn't been in the courts. We're renewing a permit that was modified. And there's still an--ongoing concerns with the ways that it was just modified in a matter of months ago. So there are concerns with this--the permit basically has some new conditions on it. And we have concerns with the new permit that have never--were not in existence the last time it was up for renewal.

And you're right. The legal differences between renewal and modification and the ability of this administrative process or objection process to try to air concerns and how they overlap--you know, this is not a law that UEC deals with a lot. So there may be confusion. I'm not acknowledging that. I'm just saying maybe there is.

But we were hoping that we could use

8 (Pages 29 to 32)



Thacker + Co llc

Court Reporters

Page 33 Page 35 MR. MUELLER: Okay. this objection process to address some of those 1 2 concerns that we have with the--you know, the MR. BAZA: Mr. Kirkham. recent modifications that were just consented to 3 3 MR. KIRKHAM: Do I get a chance to 4 on December 1 by the Forest Service, which 4 respond? 5 apparently weren't even incorporated, because it 5 MR. BAZA: You have your hand raised, was done last summer anyways. So that adds a 6 so I'll recognize vou. MR, KIRKHAM: Well--and I don't want to 7 whole other laver of confusion as to exactly what 7 8 kind of permit animal is being renewed here, 8 prolong the agony here. But I think the confusion is probably on the part of UEC. There because it's different from what the Forest 9 9 10 Service had even consented to. 10 is a specific statutorily established method for 11 So I do think there are real concerns 11 mine plan modification. Under the cooperative 12 that have not been in front of a judge, have not 12 agreement, there are specific roles that each of the agencies plays-each of the agencies play. gone to court, that I was hoping we could use 13 13 14 That--and whether we're going to call it 14 this administrative process to resolve 15 litigation or whether we're going to simply say 15 productively. they exhausted their administrative remedies, the 16 Does that--I don't know if that helps. 16 MR. BAZA: I needed to ask a couple of reality is that UEC raised those issues in the 17 17 administrative process leading up to the process 18 clarifying questions. Mr. Ban, a minute--a few 18 minutes ago, you talked about three questions that 19 19 that granted the mine plan modification. That you have for the Division. 20 exhaustion of administrative remedies, in my mind, 20 is litigation, because it went through the Forest 21 MR. BAN: Yeah. 21 MR. BAZA: And I think I caught two of 22 Service appeal process. 22 23 Now, admittedly, a Federal judge was 23 them. I don't know if I caught all three. One was, did the Division have a role in preparing 24 not involved in that. And so if that's the 24 distinction we're drawing, that's fine. But the 25 the NEPA document? Page 34 Page 36 1 MR. BAN: Yes. Forest Service, at its appropriate place in the 2 administrative process that led up to the approval 2 MR. BAZA: And this was the NEPA 3 document from this last year--3 of the mine plan modification, had a role to 4 MR. BAN: Yeah. concur. And this is not the correct forum to 5 debate the respective roles of those various 5 MR. BAZA: --that related to the mine 6 agencies. 6 plan modification. 7 MR. BAN: I think it was the permit 7 This forum is to determine, under the 8 8 rules of the Division, whether or not the Division renewal, wasn't it? 9 is under the obligation to approve the renewal. 9 MR. MUELLER: That was the mine plan 10 modification. 10 And the only way they can--that the Division can deny the renewal is to specifically find in 11 MR. ALDER: Yeah. That's the 11 confusion. writing that one of the elements under R645-303-12 12 233 does not exist. And it is UEC's burden, as 13 MR. BAN: Okav. 13 14 MR. BAZA: Then your second question 14 the objecting party--it is their burden to prove that one of those elements doesn't exist. It 15 was, what role did they play and what decisions 15 isn't--we don't like it, it isn't "Gee, we wanted were reached? And third question, I missed if 16 16 17 there was one. 17 to raise this issue previously." They have a burden to establish that one of those elements has 18 MR. BAN: Did they have a role in 18 issuing the finding of significant impact? 19 not been satisfied. Otherwise, the Division, 19 20 20 MR. ALDER: Issuing what? under the language of the rule, will approve the 21 MR. MUELLER: Well-- the only FONSI was 21 application for renewal. the Forest Service FONSI, unless the Division 22 And so I sympathize that they would 22 23 issued one in July that we're not aware of. 23 like to have their objections heard. And I think

9 (Pages 33 to 36)

they did. And I think PacifiCorp has gone out of

the way to try and respond to the concerns when



MR. BAN: Just let him answer.

MR. BAZA: Okay.

24

25

Thacker + Co LLC

Court Reporters

24

3

6

7

8

9

10

11

12

13

14

15

16

17

19

20

21

22

23

24

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Page 37 the mine plan modification was being concerned. But we're past that. That's all in the history of this permit. We are now at the permit renewal process. And it needs to be a specific objection under one of the specific criteria. And the Division has to issue a finding that that has not been satisfied. And nothing has been presented 8 here today with respect to any of those criteria. And so that--I mean, we're happy to sit 9

10 here and listen. And I think we want to, you know, recognize the responsibility of a mine operator to be environmentally sensitive. But this is an administrative proceeding. And we need to follow the administrative rules. The procedure with respect to the mine plan modification was an administrative proceeding. They exhausted their administrative remedies in that process. That's now past.

MR. BAZA: Very well. I don't want to belabor this. And I know that some of the things that we may want to comment on right now will just rehash the same things that have already been said. Let me just ask this. Before I discuss this with Counsel, is there any other comment or constructive statement that anyone would like to

Page 39 MR. BAZA: Okay. Thank you for those

statements and comments.

Mr. Alder, you--are you finished? I didn't want to close this before--did you have anything more you wanted to say?

MR. ALDER: No. I--

MR. BAZA: I couldn't tell if you were popping your hand.

MR. ALDER: Yeah. I know. And I'm not . .

I think what Mr. Kirkham summarized as to the difference between the modification and the renewal and the Division's role--I want to give an opportunity for the Division to consult with me and maybe give a formal or clear response rather than just spout off the top of my head, even though this is an informal procedure. But the Division doesn't have a NEPA role in the modification. That was OSM that makes that decision. And we concur that that decision has been made. And so we're here about the renewal. We concur with that. And I guess I still won't see the connection between the concerns that they

Page 38

put on the record at this point? 2

If not--

11

12

13

14

15

16 17

18

19

20

21

22 23

24

3

4

5

6

7

8

10

11

12

13

14

15 16

17

18

19

20

22

23

25

MR. MUELLER: (Raises hand.)

MR. BAZA: Mr. Mueller. MR. MUELLER: Yeah. In light of what John Kirkham said, I don't know if this is obvious, but the administrative procedures we went through with the Forest Service, according to his time line, occurred at least four months, five months after the mine plan modification he says was made on July 27. That's something important to note.

It's also important to note that the Forest Service correctly has held that it has the authority to consent. And I believe John Kirkham is probably trying to split legal hairs where-with saying the Forest Service has authority to concur, which is something other than the consent that the Forest Service gave in December.

MR. BAN: And I also believe that they 21 have the ability to attach coal lease stipulations that are outlined in their plan. I'm not sure when the exact time--the exact--when they're required to attach the timing on that. I'm not exactly sure on--but . . .

Page 40 anything I hear as to how that affects the renewal criteria that have been elaborated by so many people.

had with regard to how the modification is being

implemented and how they have not presented

So, I mean, I think this is an informal process. It's not supposed to be like we're making arguments. We want to hear what that is. But I haven't heard anything. So I don't know that our response will take much time.

MR. BAZA: And do you have a recommendation on how this informal conference should proceed, giving the Division a chance to make that response?

MR. ALDER: I think a few days to submit that to you would be helpful before you close the conference.

MR. BAZA: All right. Then I'd like to sit with Counsel here for a minute. And we'll go to another room, so--yes, sir.

MR. MUELLER: Is that when you'll find out if there's an opportunity to submit additional information?

MR. BAZA: We will address that. MS. BEARD: Do you have a request on a time that you would need to submit more

information?

10 (Pages 37 to 40)



Thacker + Co llc

Court Reporters

Page 41 Page 43 there can be conditions, you know, so--MR. MUELLER: I'll leave that time line 2 2 MR. BAZA: Sure. up to you as long as it's, you know, more than 24 MS. GRUBAUGH-LITTIG: --that is one 3 3 hours. 4 5 MS. BEARD: Okav. caveat is there can be conditions. MR. BAZA: Right. Well--and the MR. MUELLER: Or at least 24 hours 5 Division does have to reach a Division on a 6 6 turnaround. 7 permit renewal. And since I'm hearing no conflict MR. BAZA: Give us a few minutes. And 7 8 8 with the fact that we have--the Division has to we'll be right back. do that by February 7, then I'm going to say that 9 (Recess taken, 11:05-11:30 a.m.) 9 10 MR. BAZA: Okay. We're going to go 10 UEC has a limited amount of time to be able to 11 back on the record. 11 provide any additional information that they want to provide for the Division to consider for that Before I make some ending statements, 12 12 permit renewal. And as I looked at the calendar I'd like to ask Mr. Alder a question. 13 13 MR. ALDER: Oh, dear. 14 when Counsel and I were talking, February 7 is 14 roughly about two weeks out from today. And I MR. BAZA: And, Mr. Alder, you heard 15 15 Mr. Kirkham's statement about the February 7, would like to give the Division full ability to 16 16 17 2006, deadline for obtaining a permit renewal. 17 have as much time as it can to process whatever 18 MR. ALDER: Yes. 18 statements UEC wants to provide that could add to that decision. MR. BAZA: Does the Division have an 19 19 opinion or a position on that? 20 And so with that in mind, I'm going to 20 21 MR. ALDER: Well, I suppose you're 21 ask that UEC have the deadline of the close of business this Friday, which is the 27th of referring to the fact that because of this 22 22 23 informal conference we would have up to 60 days--23 January, to be able to supply any additional information that they would like the Division to 24 and whether there's a conflict--I don't know if 24 25 consider in that decision on the permit renewal. 25 that's what you're referring to. I think that

Page 42

2

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

25

the permit renewal is based on the original renewal date. And Mr. Kirkham can correct me on this. But I think we concur in that. But I 3 4 don't know what your question would be. I think 5 we concur. 6 MR. BAZA: Is there a time certain that 7 the Division has to issue a decision on the permit renewal? 8 9 MR. ALDER: Yes. 10 MR. BAZA: Pam's nodding her head. MR. ALDER: I'm hearing yes all around 11 12 me. MR. BAZA: And is that time certain the 13 February 7 date? 14 MR. ALDER: Personally, I haven't 15 researched that. 16

MR. BAZA: I'm seeing heads nodding yes

MS. GRUBAUGH-LITTIG: Well, I was just

Well, if that's the case, it seems to

be a firm deadline to me. And as we want--yes,

going to say, the permitting essentially expires.

And so it has to be renewed by that date. It--

and you issue a permit--a renewed permit. And

17

18

19

20

21

22

23

24

to that also.

Pam.

Page 44 In addition to that, I'll indicate beyond that, there's an opportunity for, obviously, UEC to discuss anything with the Division that applies to its administrative actions that could help in future processes of this type, but that the appeal of any decision that's reached by the Division--and I mentioned this at the beginning--has to go, then, to the Board of Oil, Gas & Mining. And there is a requirement under Rule R645-300-200 that says in order to conduct that administrative review of a Division decision, that you would have to file with the Board of Oil, Gas & Mining within 30 days of the Division's decision. So with that, again, to reiterate, I'm

asking UEC to turn in any information they want to provide to be considered in the permit renewal by this Friday. The Division is under a--at least a prescribed deadline in the rules to make a decision on the permit renewal by a date certain. And then UEC then has the opportunity, of course, for a board hearing appeal to that.

of course, for a board hearing appeal to that.
 Mr. Kirkham, do you have your hand- MR. KIRKHAM: Well, my only question

was whether we'd be given the opportunity to

11 (Pages 41 to 44)



Thacker + Co llc

Court Reporters

Page 45 Page 47 respond to whatever it is they submit. And I--it opportunity for debate. It's really an was my understanding that the purpose of the time opportunity to say to the Division, Can we provide you with information that will help you make this 3 period to decide to make the decision to request permit decision? Now, the permit decision that's the informal conference and then the two weeks 5 issued is an appealable decision by any party, by that they've already had to prepare whatever they 6 had to present would give them adequate time. the applicant or someone who's going to be affected by the decision. So that certainly is I'm not picking with it, but I just--you know, 8 that doesn't give PacifiCorp any time to respond 8 appealable under the rules of the Division and the if there's something in there that is worthy of 9 board. response. So I just point that out for the 10 But I think the thing that this 10 conference is supposed to do, or the purpose that record, that we will not have been in a position 11 11 to provide a response to whatever it is they I laid out, was--it's to help the Division reach 12 12 13 present-an adequate decision by the time that it has to. And as I asked Mr. Alder the question, the point 14 MR. BAZA: Would--14 I was trying to drive at was, when is that MR. KIRKHAM: --even though they've 15 15 had, you know, months now to prepare and--16 deadline for the Division to make such a decision? 16 MR. BAZA: Yeah. 17 And it appears to be by the seventh of February, 17 18 MR. KIRKHAM: --two weeks of formal 18 so . . . 19 19 notice that--as to the time and date of this Mr. Alder. MR. ALDER: Are you, then, in your 20 proceeding. But having said that--20 MR. BAZA: Would you be able to provide 21 decision here concluding that the informal 21 conference will close as of the end of business that written response to the Division prior to the 22 22 23 time the Division has to issue a permit renewal 23 on that Friday? Is that what you're saying? Is that what you're referring to, that deadline for decision? 24 24 UEC to comply? Or are you keeping it open longer 25 MR. KIRKHAM: Well, that's what I say. Page 46 Page 48 I don't know what they're going to submit. And than that? MR. BAZA: Well, honestly, I'm feeling so it's hard for me to say--if you give them 2 like the informal conference can close as of until Friday, PacifiCorp doesn't have that much 3 3 time before the Division has to make its decision. today. But the UEC is still capable of providing So we're--we would appreciate getting a copy of 5 information to the Division--5 what's submitted. MR. ALDER: Okay. MR. BAZA: --up until Friday so that the MR. BAZA: Okay. 7 8 MR. MUELLER: Would it expedite the 8 Division can reach a decision by the February 7 process if we sent a copy to you, as well, just 9 9 deadline. so you get it right away? 10 MR. ALDER: Okay. Thank you. 10 MR. BAZA: I think it would--11 MR. BAZA: Are there any other 11 MR. KIRKHAM: Yeah. questions on that? 12 12 Very well. Then, at this point, we'll 13 MR. BAZA: --if you do that to both 13 consider the conference closed. And UEC will have PacifiCorp and the Division. But as I've talked 14 that time frame to submit further statements to 15 with Counsel about this, I hope there hasn't been 15 16 a misconception about what this informal the Division. Thank you very much. 16 MR. MUELLER: Thank you. 17 conference represents. It is an opportunity to 17 18 provide information to help the Division reach a 18 (Proceedings concluded at 11:38 a.m.) decision on the permit renewal. It's not 19 19 20 necessarily an opportunity for appeal, because no 20 21 21 decision has been made yet. And when I indicated at the beginning 22 22 23 of the informal conference that we wanted to limit 23 or restrict or avoid a lot of back and forth 24 24

12 (Pages 45 to 48)



discussion here, I don't think it's even an

Thacker + Co LLC

25

Court Reporters

	1			
A	agency 14:4 20:3	3:9 5:7 15:20	16:10,14 24:4,9	C
abandonment	ago 11:5 32:11	17:18 18:3 21:2	24:12 25:6,21	calendar 43:13
8:14	33:19	21:17,19 22:23	27:22 33:18,21	call 35:14
abide 9:24	agony 35:8	23:9 36:21	34:1,4,7,13,18	Canyon 15:22
ability 12:17,18	agree 9:24	applications 5:13	34:24 38:20	16:2,6
28:2 32:19 38:21	agreed 10:4	applied 13:3	based 7:25 8:2 9:8	capable 48:4
43:16	agreement 28:18	applies 44:4	9:13 20:17 42:1	Carbon 1:5 3:10
able 12:22 13:17	29:9 35:12	apply 4:6 5:12,19	basically 32:12	Carlton 9:1,14
14:25 24:7 43:10	ahead 24:10 28:3	appreciate 46:5	basis 30:1	carries 5:15
43:23 45:21	32:5	appropriate 19:5	Baza 2:4 3:4,4 7:1	case 8:5 13:16,18
absolute 20:6	air 28:24 32:20	19:15 22:14	7:8,12 15:3,9,17	42:19
accepted 17:4	aired 10:8	28:20 36:1	16:7,11,15,18	caught 33:22,23
access 4:19	Alder 2:12 7:9	approval 36:2	21:4,7,12,15,21	Cause 1:4 3:10
accomplishes	23:18,21 26:23	approve 18:18	23:7,12,15,18,25	caveat 43:4
11:11,19	31:9,11 34:11,20	36:9,20	24:6,10 25:12	center 4:23,25
acknowledging	39:3,6,9 40:13	approved 5:22 6:1	26:23 29:24 31:4	certain 5:18 10:4
32:23	41:13,14,15,18	13:2 16:24 17:10	32:5 33:17,22	10:10,12,18,21
act 3:19 10:22	41:21 42:9,11,15	17:16 19:19	34:2,5,14,25	14:3,3 20:7 42:6
17:14	47:14,19,20 48:6	area 29:9	35:2,5 37:19	42:13 44:21
action 17:2,11,12	48:10	argument 30:1	38:4 39:1,7 40:9	certainly 4:25
21:1 23:8 25:19	Alice 9:1	arguments 40:6	40:16,22 41:7,10	25:23 30:19,24
27:14	alluded 10:18	arisen 14:1	41:15,19 42:6,10	32:2 47:7
actions 44:5	amount 43:10	asked 23:1 47:14	42:13,17 43:2,5	challenge 6:10,12
activities 8:16	analysis 10:21	asking 44:16	45:14,17,21 46:7	chance 31:15 35:3
add 11:1 13:9	analyzed 8:8,11	aspect 25:22	46:11,13 48:2,7	40:11
21:16 24:1 43:18	14:13 26:3	assert 13:22	48:11	Child 7:6
addition 15:12	animal 33:8	assistant 2:8,12	Beard 2:8 40:23	choose 6:12
44:1	answer 22:22	17:9	41:4	Chuck 7:7
additional 6:4	29:19 34:24	assume 20:4 27:20	began 9:3	citation 21:9,10
7:16 11:22 22:3	answers 24:8	attach 38:21,24	beginning 44:8	cited 18:10
22:12,16,20	anyways 33:6	attached 14:9	46:22	City 1:9 2:18,24
23:12 24:2 31:3	apart 17:15	27:22	behalf 7:5	clarify 27:6 29:14
40:20 43:11,23	apparently 9:14	attain 11:20	belabor 37:20	32:4
address 18:23	12:22 24:24 33:5	Attorney 2:8,12	believe 9:6,19	clarifying 33:18
19:2 29:21 33:1	appeal 8:1,2,20,22	attorneys 5:11	14:10,19 15:5,20	clear 12:2 14:10
40:22	9:12 10:3 11:23	August 17:4	16:10 22:11	27:9,12 31:17,24
addressed 14:13	12:12 14:10 17:5	authority 10:9	23:17 38:15,20	32:1,2 39:15
14:17,23 22:7	17:6,7,8 20:22	12:9,20 13:22	better 11:4,10,11	clearly 24:23
adds 33:6	35:22 44:6,22	20:3 28:7 38:15	11:12 15:2	client 13:10
adequate 45:6	46:20	38:17	beyond 44:2	close 7:19 39:4
47:13	appealable 47:5,8	avail 11:18 14:25	big 13:25	40:15 43:21
administrative	appeals 16:25	28:13	board 6:11 44:9	47:22 48:3
3:17,19 6:8 8:2	19:25	available 4:22	44:13,22 47:9	closed 48:14
28:23 29:16	appear 31:16	avoid 46:24	bond 6:3 23:5	closure 5:3
32:19 33:14	APPEARANCES	aware 34:23	breached 9:15	coal 5:14,21 13:7
35:16,18,20 36:2	2:1	a.m 41:9 48:18	19:22	38:21
37:13,14,16,17	appeared 9:11	р	brings 17:12 19:11	Code 3:17,19 5:16
38:7 44:4,11	appearing 7:5	<u>B</u>	brought 20:23	6:7,8
administratively	appears 12:10	back 4:13 11:25	burden 6:13 18:16	come 11:8
17:20 22:24 23:9	20:21 31:18	31:9 41:8,11	18:19 31:21	coming 28:14
admittedly 35:23	47:17	46:24	36:13,14,18	comment 3:23
agencies 12:17	applicant 22:18	Ban 2:15 6:19,22	business 43:22	4:11 6:16 7:14
19:10 20:13 28:9	47:6	6:22 7:20,23 9:7	47:22	22:5 30:18 37:21
35:13,13 36:6	application 1:5	13:9 15:14 16:3		37:24
L	1	l	l	l



				i uge i
commenting 7:2	connected 15:23	culvert 11:7	Department 1:2,8	44:18 45:22,23
16:4,6	connection 16:1	cumulatively	17:10	46:4,14,18 47:2
comments 3:13	17:2 18:1 20:5,9	14:16	designated 3:6,10	47:8,12,16 48:5
4:15 7:11 15:21	20:13,20 31:21	curious 25:9	desire 4:2	48:8,16
16:7,17 22:1	31:25 39:23	current 16:22	detailed 8:25	division's 3:17
26:25 39:2	consent 27:19 28:2	17:13	details 8:20	4:20 6:12 17:2
commit 12:20,22	38:15,18	currently 17:11	determination	23:8 25:10 30:7
committed 14:12	consented 28:5	C/015/0018 1:4	18:18	30:12 39:13
14:14,17	33:3,10	3:11	determine 23:8	44:14
company 11:9	consider 31:3		36:7	document 13:3
complete 17:20	43:12,25 48:14	D	determined 17:20	24:15,20 33:25
22:24 23:9	considered 44:17	date 1:10 17:23	22:23	34:3
compliance 5:22	construction 16:5	21:13,18,19 42:2	dialogue 26:19	documents 9:9
25:24	constructive 30:7	42:14,24 44:20	difference 31:18	DOGM 12:1
complied 10:23	37:25	45:19	39:12	drafting 9:8
comply 26:2,4,5	consult 31:15	dated 15:4	differences 29:1	drawing 35:25
47:25	39:14	days 21:18 40:13	32:18	drive 47:15
concept 12:5	continue 6:3	41:23 44:14	different 33:9	
concern 12:11,24	contract 9:11,15	deadline 18:4	differently 16:3	E
13:4 14:22	9:19,20,23 10:11	41:17 42:20	direct 4:15 26:11	EA 8:5,9,14 10:20
concerned 25:22	19:21,22 26:10	43:21 44:19	directed 16:8	14:18 24:15 26:4
25:23 27:7 37:1	26:12,15,17	47:16,24 48:9	24:13 31:12	eagle 8:12 10:17
concerns 11:22	control 12:20 28:2	deal 12:7 29:13	directly 23:3	eagles 8:14 26:6
12:14 20:2 26:9	28:10	dealing 20:16 28:6	director 2:4 3:5	easier 29:12
26:16 27:25	cooperative 35:11	deals 32:22	6:24	ecosystem 10:15
28:14,24 29:22	copy 27:20,21	dear 41:14	disagree 31:20	editing 9:9
32:10,12,14,20	46:5,9	debate 36:5 47:1	disclosed 8:15	effect 6:3
33:2,11 36:25	correct 23:11 36:4	December 15:4,5	discuss 15:12	effectively 28:10
39:23	42:2	17:9 18:4,5	37:23 44:3	effects 8:7,11,12
concluded 48:18	correctly 38:14	27:19 33:4 38:19	discussed 10:19	10:15 26:6
concluding 47:21	couch 25:14	decide 45:3	discussion 4:14,16	EI 14:18
concur 36:4 38:18	Counsel 31:5	decision 5:4,5,6	9:25 46:25	EIS 14:11,14
39:20,22 42:3,5	37:24 40:17	6:10,12 11:19	discussions 8:24	elaborated 40:2
conditions 5:18,19	43:14 46:15	15:2,18,22,24	8:25 9:13	elements 36:12,15
31:22 32:13 43:1	counteract 26:16	19:10 24:17 25:3	distinction 35:25	36:18
43:4	County 1:5 3:10	25:7,7 30:10,12	distinctly 29:4	emerged 12:12
conduct 44:11	couple 15:9 19:6	30:14,24 39:20	Division 1:1 2:4,11	enclosed 8:18
conducting 3:18	21:4 26:25 33:17	39:20 42:7 43:19	3:5 4:18 5:1,7,11	encourage 21:3
conference 1:7 3:1	course 5:8 31:19	43:25 44:6,12,14	5:17 6:5,10 7:9	Energy 7:7
3:7,8,15,21 4:4,7	44:22	44:20 45:3,24	8:19 15:4 17:11	ensuring 11:12
5:4 7:19 18:6	court 33:13	46:4,19,21 47:4	17:13,21,25 18:9	entered 8:22 9:10
26:18 30:16,21	courts 29:12 31:19	47:4,5,7,13,16	18:10,25 19:25	enters 18:11 20:7
40:10,15 41:23	32:8	47:21 48:8	20:7,16,19 21:1	entire 13:11
45:4 46:17,23	creek 1:4 3:9,24	decisions 5:1	21:3 22:4,13,17	entitled 10:6
47:11,22 48:3,14	10:16 11:7,7	34:15	22:21,23,25 23:2	environment 10:5
conflict 27:18	16:9	decision-making	23:10 24:5,13,14	13:18,23 25:24
41:24 43:7	criteria 18:25	28:7	24:19 26:19	environmental
conflicts 15:1	20:19 21:24 22:2	Deer 1:4 3:9,24	30:23 31:12,13	2:14 3:16 6:19
26:20	22:7 23:4 37:5,8	10:16 16:9	33:20,24 34:22	11:13,16,21
confusion 27:17	40:2	degree 11:20	36:8,8,10,19	17:14
32:22 33:7 34:12	criterias 21:25	12:10	37:6 39:14,18	environmentally
35:9	critical 18:14	denial 17:8	40:11 41:19 42:7	37:12
Congress 2:14	cross-examination	denied 17:7	43:6,6,8,12,16	especially 12:20
3:16 6:19 11:16	4:14	deny 18:18 36:11	43:24 44:4,7,12	13:11
t .	t .			



				
Esq 2:21	filing 28:12	G	held 3:8,15 38:14	10:3 18:6 26:18
essentially 42:23	final 5:1	Gas 1:1 2:4,11 3:5	help 44:5 46:18	30:16,20 39:17
establish 20:12	find 36:11 40:19	6:11 44:9,13	47:3,12	40:4,10 41:23
36:18	finding 8:6,9	Gee 36:16	helpful 40:14	45:4 46:16,23
established 5:9	24:18,25 25:8,10	General 2:8,12	helps 33:16	47:21 48:3
35:10	34:19 37:6	getting 28:17 46:5	highlighted 29:22	informally 9:24
events 7:25	findings 18:12	give 29:24 39:13	highlights 27:25	information 4:20
everybody 11:3	20:7	39:15 41:7 43:16	history 7:25 37:2	4:23,25 6:4,16
27:21	fine 35:25	45:6,8 46:2	honestly 48:2	7:15,16 15:7,11
evidence 3:23 4:11	finished 39:3	given 44:25	hope 10:12 14:2	22:3,13,16,21
5:23 6:2 23:4,5	firm 7:5 42:20	giving 40:11	26:15 29:7,19	23:13 24:2 30:4
evident 14:8	first 3:14 4:7 5:14	glad 31:13	46:15	30:5 31:3,6,6
evolved 11:3	26:25 29:11	go 5:10 7:23 8:20	hoped 26:19 28:13	40:21,25 43:11
exact 38:23,23	five 6:2 38:9	19:3 24:10 28:24	29:22	43:24 44:16
exactly 33:7 38:25	flaw 10:20	32:5 40:17 41:10	hopefully 8:18	46:18 47:3 48:5
exhausted 35:16	follow 4:2 37:14	44:8	hoping 11:17	initial 11:8
37:16	following 4:6 5:12	goal 14:6	14:24 28:22	initiated 25:18
exhaustion 35:20	FONSI 34:21,22	going 3:12 4:1,5	32:25 33:13	insurance 5:24
exist 36:13,15	forest 8:2,4,13,23	4:12 7:10 8:20	hours 41:3,5	23:5
existed 19:25	9:2 10:3,5,9 12:1	15:19 29:3 31:4		interested 6:9 7:2
existence 32:15	12:3,8,13,19,21	35:14,15 41:10	I	11:14 13:14
expansion 15:22	12:21,24 13:8,12	42:23 43:9,20	identify 6:17 7:1	27:11 30:22
15:25 16:2	13:17 14:5 17:6	46:1 47:6	impact 8:6,10,15	Interior 17:10
expect 30:25	19:14,17,19 20:1	golden 8:12,14	24:18,25 25:8	interject 10:10
expediency 3:25	20:2,8 24:24	10:17 26:6	34:19	Interwest 7:7
expedite 46:8	26:2,12 27:16,18	grant 21:3	impacts 10:17	intimately 8:24
expires 42:23	28:1,5,9,19	granted 12:19	13:20 14:15,20	introduction
expressed 20:2	30:13,17 33:4,9	35:19	14:21	22:22
extent 4:20 19:25	34:22 35:21 36:1	Great 21:6	implemented	invertebrates
	38:8,14,17,19	ground 4:1 7:13	13:21 39:25	10:14
F	form 28:16	GRUBAUGH-L	important 38:11	involved 3:23 4:17
F 2:12	formal 25:13	42:22 43:3	38:13	8:24 10:8 11:17
facilities 11:6 12:4	39:15 45:18	guess 14:6 16:15	impossible 29:21	27:7 35:24
facility 12:16	formed 26:10	24:13 25:21 28:3	improved 11:19	involves 19:9
fact 8:5,13 41:22	forth 4:14 11:25	39:22	include 24:2	25:19
43:8	46:24	guidelines 13:1	included 9:9	issue 5:3,18 12:15
fall 25:9	forum 36:4,7	g	including 4:17	20:15 31:24
far 5:12 27:6	found 11:24 22:9	Н	8:11	36:17 37:6 42:7
29:16	four 5:24 11:5	hairs 38:16	incorporate 29:8	42:25 45:23
February 17:17	38:9	hand 16:12 26:14	30:9,23	issued 24:24 25:2
21:2,8 41:16	frame 48:15	31:9 35:5 38:3	incorporated	25:2,6 27:19
42:14 43:9,14	Friday 43:22	39:8 44:23	28:19 33:5	28:4 34:23 47:5
47:17 48:8	44:18 46:3 47:23	happening 13:7	increase 14:20	issues 3:23 8:17
Federal 17:12	48:7	happens 30:15	indicate 4:5,12	9:18 16:25 18:23
19:10 35:23	front 27:21 32:7	happy 37:9	5:10 19:15 44:1	19:2 20:25 35:17
feel 10:1,20,23	33:12	hard 46:2	indicated 7:13	issuing 5:1 34:19
13:25 16:3 20:24	full 43:16	head 39:16 42:10	16:19 17:5 18:3	34:20
23:21 26:1	fully 16:24	heads 42:17	19:8 21:19,22	Item 22:2
feeling 48:2	fundamental 13:4	hear 20:18 40:1,6	23:19 46:22	items 22:6
feels 12:3,22 13:15	further 11:20 17:8	heard 20:17 36:23	indication 26:13	
file 44:12	23:15 48:15	40:7 41:15	inflect 10:15	J
filed 7:25 8:1,21	future 12:18 14:2	hearing 3:18	informal 1:7 3:1,7	January 1:10 3:2
17:5 18:5 21:18	44:5	30:21 42:11 43:7	3:8,14,21 4:3,6	43:23
files 4:20		44:22	5:3 7:19 8:22	jeopardize 5:25
L		1	L	I



Thacker + Co llc

7 10 15 (10 00		1000	10 10 11 10	100.11
Joel 2:15 6:19,22	lands 13:8,24	management 20:3	10:13 11:13	numeral 22:11
John 2:4,21 3:4	language 36:20	Manti 8:4,12 9:1,2	12:25 26:6	
7:4 26:25 27:3	larger 28:6	9:10 11:23 13:11	month 9:16	0
27:13 38:6,15	law 4:21 7:5 32:21	matter 1:4 3:8	months 9:6 28:5	objecting 20:22 36:14
judge 32:8 33:12	lay 4:1	32:11	32:11 38:9,10	
35:23	layer 33:7	matters 19:24	45:16	objection 6:18
July 17:3 25:4,7	leading 35:18	mean 24:14 37:9	moving 4:1,9	7:24,24 8:18,21
27:15,15 28:4	lease 38:21	40:4	Mueller 2:16 6:24	9:18,21 10:1
34:23 38:11	leasing 10:22	meaningless 12:25	8:25 9:5 11:2	11:15 14:9,24
jurisdiction 19:12	leave 41:1	measures 10:4,19	14:8 15:8 23:24	18:4 25:14 27:23
19:17,24 20:8,15	led 36:2	14:12,16,19	25:4 26:22,24	28:12 29:6,20,23
К	legal 12:9 30:1	meet 26:9	27:3,24 31:1	32:20 33:1 37:4
	32:17 38:16	meeting 4:1 31:2	32:3,6 34:9,21	objections 36:23
keep 3:25 4:8	legally 12:19	mentioned 44:7	35:1 38:3,4,5	objectives 11:12
keeping 47:25	letter 6:18 15:4,13	merits 5:6	40:19 41:1,5	11:20
Keli 2:8	Let's 7:1	method 30:21	46:8 48:17	obligated 5:17
Kevin 2:16 6:23	level 19:19	35:10		obligation 36:9
10:25 16:3	liability 5:23	micro 10:13		obtaining 41:17
kind 11:25 14:6	life 14:20	micro-invertebr	name 6:20	obvious 38:7
23:6 24:13 33:8	light 26:18 38:5	26:5	name's 3:4 6:22	obviously 14:22
kinds 23:2	limit 4:9 7:15	mind 32:1 35:20	National 17:14	44:3
Kirkham 2:21 7:4	46:23	43:20	Natural 1:2,8	occur 10:13 13:23
7:4 16:16,18	limited 43:10	mine 1:4 3:9,24	necessarily 7:10	14:5
21:5,6,10,13,16	line 38:9 41:1	12:1,16,16,23	32:1 46:20	occurred 18:2
22:8 23:11,14,16	listen 37:10	16:9,23 17:1	necessary 23:22	38:9
23:17 25:12 27:1	listened 18:21	27:8,14 28:3,15	23:23	occurs 11:13 26:1
27:2 35:2,3,7	litigate 29:11	29:2 34:5,9	need 16:19 27:4	October 8:1 9:3,7
38:6,15 39:11	litigation 27:8,10	35:11,19 36:3	37:13 40:24	17:19,21 22:24
42:2 44:23,24	29:1,15 32:7	37:1,11,15 38:10	needed 33:17	25:19
45:15,18,25	35:15,21	mineral 10:22	needs 11:12 31:7	offer 23:25
46:12	long 11:8 13:7	mines 13:8	37:4	officer 2:3,10 3:6
Kirkham's 41:16	22:22 41:2	mining 1:1 2:5,11	negotiations 19:14	4:16 5:2
Knight 1:11	longer 47:25	3:6 5:14,21 6:11	19:16	Oh 41:14
know 6:17 9:1,9	look 12:8 28:21,25	8:8 44:9,13	NEPA 8:3 10:24	Oil 1:1 2:4,11 3:5
9:22 10:14,25	looked 43:13	minute 33:18	17:14 19:7,9,12	6:11 44:9,13
11:2,3,4,4,18,24	looking 30:20	40:17	24:15,19,23	Okay 7:8,23 15:17
12:2,5,8,25 13:1	looks 18:25	minutes 4:10 7:16	25:19,22 33:25	15:22 16:7,11,15
13:5,12,13 14:1	lost 12:9 20:23	33:19 41:7	34:2 39:18	21:4,15,21 23:15
14:9 15:10 25:12	28:1,10	misconception	nest 8:13	23:18 24:9 34:13
26:3 27:12 28:22	lot 9:8,9 12:3	46:16	never 11:16 27:7	34:25 35:1 39:1
28:23,25 29:4,15	32:22 46:24	missed 34:16	32:14	41:4,10 46:7
29:16 32:21 33:2	7.7	mitigation 10:18	new 9:23 11:15	48:6,10
33:16,23 37:11	<u> </u>	14:12,16,19	12:5,6 32:13,14	ongoing 32:10
37:20 38:6 39:9	M 1:11	modification	nodding 42:10,17	open 47:25
40:7 41:2,24	main 2:17,23 7:24	12:17 25:5 27:15	North 1:9	opening 3:12 22:1
42:4 43:1 45:7	maintain 12:19	28:15 29:3 31:18	note 13:10 27:16	30:3,3
45:16 46:1	major 10:15,20	31:22 32:18 34:6	38:12,13	operation 5:21
	majority 28:17	34:10 35:11,19	notes 18:22	operator 5:23 6:2
L	making 5:6 15:2	36:3 37:1,15	notice 17:21 18:1	37:12
La 8:4,12 9:1,3,10	15:18,24 19:10	38:10 39:12,19	45:19	operator's 6:1
11:23 13:12	21:25 24:17	39:24	November 9:4,7	opinion 10:8 21:22
. laid 47:12	25:10 30:10,24	modifications 33:3	9:16 17:23,24	2212,6 23:7
Lake 1:9 2:18,24	31:21 40:6	modified 32:9,11	18:2	29:25,25 30:5,11
land 14:6 26:2	manage 12:3,9	monitoring 10:13	number 8:3,10,17	41:20
		TTI 1 . C		



opponents 6:13	21:11,12,14,17	15:7 21:23 37:7	prolong 35:8	reality 12:11 28:1
18:20	24:16 28:4,16	39:25	proof 6:13 18:17	35:17
opportunity 4:13	29:2,20 30:8,22	presiding 2:3,7 3:6	18:19	really 12:14 13:2
4:24 9:17 23:10	32:9,12,14 33:8	4:16 5:2	proposal 11:6,8,11	16:8 21:23 30:20
24:1 30:4 31:2	34:7 37:3,3	pretty 26:7,13	proposed 8:8,15	47:1
39:14 40:20 44:2	41:17 42:1,8,25	previously 18:12	10:19 13:19	realm 12:9
44:21,25 46:17	42:25 43:7,13,25	36:17	protect 10:5 13:17	reason 18:5 20:24
46:20 47:1,2	44:17,20 45:23	prior 4:25 20:22	13:22 29:9	reasons 5:5
opposed 14:21	46:19 47:4,4	21:18 45:22	protection 11:13	receipt 15:3
order 4:8 5:3	permittee 18:8	probably 13:13	11:21	received 6:18,18
44:11	permitting 20:13	35:9 38:16	prove 36:14	15:5
organizations	27:9 28:19 42:23	problem 13:25	provide 4:11 7:18	Recess 41:9
27:11	Personally 42:15	14:2	30:4 43:11,12,18	recognize 35:6
original 11:6 42:1	picking 45:7	problems 10:2	44:17 45:12,21	37:11
OSM 39:19	pieces 23:12	28:6	46:18 47:2	recommendation
outlined 18:12	place 17:3 23:6	procedure 4:6	provided 6:2,5	40:10
38:22	30:15 36:1	28:23,23 37:14	22:5,14,18 31:7	record 6:21 7:3,14
outside 29:5	places 22:9	39:17	provides 18:10	16:20,21 17:1
overall 10:24	plan 5:22 6:1 8:4	procedures 3:19	providing 5:4 23:4	19:15 22:9 24:3
overlap 32:21	8:13 12:16,21,24	29:17 30:15,17	23:5 30:6,6 48:4	25:15 31:13 38:1
	13:1,3 25:25	38:7	provisions 10:10	41:11 45:11
P	26:2,4 27:14	proceed 4:3 7:21	10:21 18:16 23:1	records 4:21
PacifiCorp 2:20	28:15 29:2 34:6	40:11	public 4:21,22,24	reducing 14:21
7:6 8:19 9:15	34:9 35:11,19	proceeding 37:13	publication 17:23	reference 15:21
13:13 15:15	36:3 37:1,15	37:16 45:20	publish 18:1	19:13,21 21:24
16:22 17:4,17	38:10,22	Proceedings 3:3	published 17:22	22:19 27:4
25:1 27:5 36:24	play 34:15 35:13	48:18	purpose 3:21 15:1	referenced 5:16
45:8 46:3,14	playing 26:14	process 9:18,21	45:2 47:11	referred 16:11
PacifiCorp's 3:24	plays 35:13	10:24 11:3,15,18	pursuant 3:16	referring 15:6
Pam 42:21	please 4:14 6:17	12:12 13:5 14:11	put 11:6 38:1	41:22,25 47:24
Pam's 42:10	point 20:11 27:13	14:14,18,23,24	put 11.0 30.1	refrain 4:16
part 5:17 9:23	30:24 38:1 45:10	14:25 15:24 17:6	Q	regard 39:24
27:17 35:9	47:14 48:13	17:13 18:2 19:9	question 15:17	regulations 12:6
particular 10:24	points 7:24	19:20 20:9,14,14	21:22 29:19	24:22
22:7 26:15	Policy 17:14	21:1 24:23 25:13	31:12 34:14,16	rehash 37:22
parties 3:14 4:8,17	political 11:25	25:16,17,18 28:8	41:13 42:4 44:24	reiterate 44:15
		28:13 29:6,20,23	47:14	relate 23:3
4:19 6:9,16 7:2 7:14 9:24 10:8	popping 39:8 portal 8:8 16:4	30:7 32:19,20	questions 4:15	related 8:5 16:25
		33:1,14 35:18,18	15:10 21:5 24:4	18:24 20:21 34:5
27:11 30:22 party 3:22 6:11	position 18:21 41:20 45:11	35:22 36:2 37:4	24:7,11,21 31:14	relates 20:19
1	1	37:17 40:5 43:17	33:18,19 48:12	21:24
20:23 30:6,14 36:14 47:5	possible 11:21 28:21	46:9	quote 18:17	relating 27:8
passed 25:17	precedent 13:6,16	processes 44:5	quote 10.17	relationship 28:9
1 -	1 -	processes 44:5 processing 20:4	- R	relevant 25:15
pending 16:23,25	prepare 45:5,16	processing 20:4	raise 36:17	relitigate 20:25
17:12	preparing 24:15 24:19 33:24	33:15	raised 20:21 35:5	27:4
people 40:3			35:17	remarks 3:13
perfect 28:8	prescribed 44:19 present 3:22 6:16	prohibit 8:13 project 10:14,24	Raises 38:3	remarks 3.13
period 10:4 45:3 permit 1:4 3:9,24	9:17 15:11 45:6	11:4,11 13:2,14	reach 43:6 46:18	37:17
	lt .		47:12 48:8	renew 18:11
5:8,15,20 15:19	45:13	14:15 15:18	reached 5:5 34:16	renew 18:11 renewal 1:5 3:9,24
16:1,5,8,13,22	presentation 7:22	16:12,12 25:23 26:1.3	44:7	1
16:23,24 17:1,3	18:24		real 12:23 13:4	5:8,13,16,18,25 6:14 15:19 16:1
17:16 18:11,19	presentations 4:9	projects 13:10,14	33:11	16:5,8,13 17:17
19:1 20:5 21:7	presented 7:15	13:18,20,23 14:5	33.11	10.5,0,15 17:17
	1	I	I	1



			T	ı age
17:18 18:1,8,19	response 15:14	R645-303-232.250	simple 22:19,19	46:1 48:15
18:20 19:1,8	39:15 40:8,12	22:17	simply 35:15	submitted 21:20
20:5,6,9,14,20	45:10,12,22	R645-303-233 6:8	sir 40:18	46:6
20:25 21:2,3,8	responsibility 6:1	R645-303-233.160	sit 37:9 40:17	subsequent 4:3
21:24,25 22:1	37:11	22:15	situation 10:2	9:13 21:21
23:8 24:16 25:16	rest 6:13	R645-303-233.200	six 6:4	subsequently 17:7
25:18 28:16 29:2	restrict 46:24	18:16	small 22:11	19:18 20:23
29:21 30:22	result 9:16 15:1		SMCRA 10:22	substantially 5:25
31:20,25 32:16	review 4:22,24	<u> </u>	12:7 20:11	successive 5:15
32:18 34:8 36:9	16:19 18:3,13	S 2:21	solely 20:21	Suite 2:17,23
36:11,21 37:3	20:20 44:11	sake 3:25	sorry 22:10	summarized 39:11
39:13,21 40:2	reviewed 8:19	Salle 8:4,12 9:2,3	South 2:17,23	summer 29:3 33:6
41:17 42:1,2,8	16:21 19:3	9:10 11:24 13:12	species 26:7	supervisor 9:2
43:7,13,25 44:17	reviewing 5:8 12:5	Salt 1:9 2:18,24	specific 18:12	19:17,19
44:20 45:23	revised 22:12,16	satisfied 5:20	19:18 20:7 35:10	supply 43:23
46:19	22:20	36:19 37:7	35:12 37:4,5	suppose 41:21
renewed 33:8	revision 17:3	saying 25:2 32:23	specifically 10:16	supposed 40:5
42:24,25	19:18 25:17	38:17 47:23	18:15 20:18	47:11
renewing 30:7	revisions 16:23	says 15:15 18:17	31:14 36:11	sure 8:7 22:8
32:9	17:15 20:5	38:10 44:10	specified 21:14	29:25 30:15 31:6
repeat 16:20	right 5:15 6:9 11:6	scope 29:5	split 38:16	38:22,25 43:2
reply 23:22	15:19 18:8 20:6	Scott 1:11 7:6	spout 39:16	surface 10:5 12:4
REPORTED 1:11	20:10 23:22 25:6	second 34:14	staff 31:15	12:10,20 13:17
represent 6:23	27:3,21 32:17	secretary 17:9	standards 5:12	13:20,23 20:3
representative	37:21 40:16 41:8	Section 3:20 5:16	13:1	25:24 28:7,11
25:1	43:5 46:10	6:7	start 29:13	29:9 31:16
represents 46:17	right's 6:23	see 39:23	started 29:14	suspect 23:2
request 3:15 40:23	Rilda 15:22,24	seeing 11:14 42:17	state 1:3 6:20	sympathize 36:22
45:3	16:2,6	Semborski 7:7	13:11 25:14	
require 21:17	Rives 2:22 7:5	sensitive 26:7	stated 18:7 30:2	T
required 4:21 5:24	road 13:19	37:12	statement 22:20	take 3:13 10:4
6:4 17:22,25	role 14:4 24:15,17	sent 46:9	37:25 41:16	21:1 40:8
21:1 22:4,13,17	24:19,23 25:10	Separate 17:15	statements 30:3	taken 1:8 41:9
22:21 38:24	26:11,11 30:13	Service 8:2,23	39:2 41:12 43:18	talked 19:6 33:19
requirement 22:9	33:24 34:15,18	10:3,6,9 12:1,3,8	48:15	46:14
44:10	36:3 39:13,18	12:13,19,21 13:8	states 22:12,15	talking 43:14
researched 42:16	roles 20:12 35:12	13:12,17 14:5	status 16:22	tell 39:7
reserve 23:22	36:5	17:6 19:14 20:1	statute 18:9,15	Temple 1:9
resolution 8:23	Roman 22:11	20:3,8 24:24	22:10	terms 5:19 9:20,22
9:11 10:3 11:23	room 30:6 40:18	26:2,13 27:17,19	statutorily 35:10	9:25 10:23 12:21
12:12 14:23	roughly 43:15	28:1,5,10,19	step 28:25	14:5 15:6 28:17
28:18 29:8	RPR 1:11	30:13,17 33:4,10	Steven 2:12	29:8 31:22
resolve 15:1 26:20	rule 6:8 21:9,10,17	34:22 35:22 36:1	sticking 12:23	testify 3:22
28:14 33:14	22:14 36:20	38:8,14,17,19	stipulations 38:21	testimony 4:10
resolved 9:21	44:10	setting 13:6,16	STOEL 2:22	Thank 16:18 39:1
Resources 1:2,8	rules 4:2 5:9,24	seventh 47:17	Stole 7:5	48:10,16,17
respect 18:25 37:8	7:13 17:22 36:8	short 22:22	Street 2:17,23	thing 18:14 47:10
37:15	37:14 44:19 47:8	short-term 10:15	strong 26:13	things 4:8 19:6
respective 20:12	run 31:19	signed 11:23 28:18	stuff 29:13	23:2,3,6 37:20
36:5	R645-300-123	significant 8:6,10	subject 17:16 21:8	37:22
respond 7:10 19:6	3:17	14:15 24:18,25	submission 17:18	think 9:3 14:8
24:1,12 31:8,14	R645-300-200	25:8 34:19	17:19	16:6,19 18:3,14
35:4 36:25 45:1	44:10	similar 13:19	submit 7:17 31:2	18:22 19:5,14
45:8	R645-303 36:12	similarly 13:21	40:14,20,24 45:1	23:23,25 27:14
I				



27:15,17,24 30:2	31:17 32:22 35:9	watershed 10:16	120 21:18	
31:20,25 33:11	35:17 43:10,18	14:21	15 18:2	
33:22 34:7 35:8	43:21 44:3,16,21	way 11:8 20:10	1594 1:9	
36:23,24 37:10	47:25 48:4,14	29:10 36:10,25	1817 2:17	
39:11 40:4,13	UEC's 32:1 36:13	ways 32:10		
41:25 42:3,4	unable 13:22	weeks 43:15 45:4	2	
46:11,25 47:10	underlying 10:2	45:18	2005 15:5 17:19	
third 34:16	understand 26:10	welcome 30:19	17:21 27:20	
thought 16:4	understanding	went 28:3 35:21	2006 1:10 3:2	
three 5:22 11:5	14:3 31:17 45:2	38:7	17:17 21:8 41:17	
33:19,23	unempowered	weren't 8:11 10:19	201 2:23	
time 7:18,21 10:12	12:3,22	14:17 33:5	21 17:9	
13:7 14:7 15:16	unresolved 16:25	West 1:9 7:7	233 36:13	
16:16 19:16	updated 22:12,16	we'll 3:13 16:16	24 1:10 3:2 17:21	
23:13,23 29:11	22:20	30:8,8,9 40:17	22:24 41:2,5	
30:18 32:15 38:9	upset 31:23	41:8 48:13	250 22:19	
38:23 40:8,24	use 29:23 30:8	we're 8:7 11:14,17	27 17:3 25:4,7	
41:1 42:6,13	32:25 33:13	14:24 15:3,19	27:15 38:11	
43:10,17 45:2,6	useless 13:3	25:12,21,22,23	27th 43:22	
45:8,19,23 46:4	usually 12:7	26:8 27:18 32:8	29 15:4,5 17:24	
47:13 48:15	Utah 1:3,5,9 2:14	34:23 35:14,15	18:4,5	
timely 17:18 21:20	2:18,24 3:15,16	35:25 37:2,9		
timing 38:24	3:19,19 5:16 6:7	39:21 40:5 41:10	3	
today 6:17 7:3,13	6:7,19 11:15	46:5	30 4:10 7:15 44:13	
24:8 31:2 37:8	utilize 30:9	we've 11:16 15:25		
43:15 48:4	utilize 30.7	18:21 20:17 27:7	4	
top 11:7 39:16	v	wild 14:20	4 22:11	
total 14:20	V 22:12	Wildlaw 11:16	4A 5:17	
treated 29:4	valid 5:14	27:7	40-10-9 5:17 6:7	
trigger 19:11	various 20:12 36:5	wish 6:16 7:14	22:10	
try 9:20 16:20	vehicle 28:20	wondering 24:14	40-10-9(4)(a)	
18:22 20:16,25	view 5:11 15:23	work 6:23 12:18	18:10	
26:16 29:7 32:3	viewpoint 16:2	worthy 45:9	40-9 22:10	
32:20 36:25	views 24:19	writing 7:17 36:12	10 7 22:10	
	violation 19:7	written 18:4 45:22	5	
trying 28:14 38:16		Witten 16.7 75.22	5 17:4 22:11	
47:15 turn 7:21 16:16	violations 8:3,4 visit 31:4	Y		
	VISIL 31.4	yeah 9:5,7 15:8	6	
44:16	w	21:13 23:25	6 17:19 22:3 25:19	
turnaround 41:6 two 5:20 22:9	want 4:11 6:24	33:21 34:4,11	60 41:23	
	10:25 23:19,22	38:5 39:9 45:17	63-46b-5 3:20	
33:22 43:15 45:4	24:2 27:9,12	46:12		
45:18	31:11 35:7 37:10	year 34:3	7	
type 44:6	37:19,21 39:4,13	years 11:5	7 17:17 21:2,8	
types 22:6	40:6 42:20 43:11	years 11.3	41:16 42:14 43:9	
U	44:16	0	43:14 48:8	1
UDOGM 9:14	wanted 15:11	05 8:1 9:8 27:15		
	26:25 27:6,16	03 0.1 7.0 27.13	8	
25:2 26:11,14,17 UEC 6:23,24 8:1	1	1	8 17:23	
				1
	29:14 30:18	1 27.19 33.4	84115 2:18	
8:22 9:10,16	36:16 39:5 46:23	1 27:19 33:4 10 2:17	84115 2:18	
8:22 9:10,16 13:10,15,15 14:7	36:16 39:5 46:23 wants 43:18	10 2:17	84115 2:18	
8:22 9:10,16 13:10,15,15 14:7 18:22 19:6,16	36:16 39:5 46:23 wants 43:18 wasn't 8:23 25:8	10 2:17 11:05-11:30 41:9	84115 2:18	
8:22 9:10,16 13:10,15,15 14:7 18:22 19:6,16 20:23 21:23 24:1	36:16 39:5 46:23 wants 43:18 wasn't 8:23 25:8 34:8	10 2:17 11:05-11:30 41:9 11:38 48:18	84115 2:18	
8:22 9:10,16 13:10,15,15 14:7 18:22 19:6,16	36:16 39:5 46:23 wants 43:18 wasn't 8:23 25:8	10 2:17 11:05-11:30 41:9	84115 2:18	

